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TODAY: LEISURE Georgian Heritage, Page 10

Anxiety Grips Financial Markets Around Globe

Pressure Is Mounting On Yeltsin to Resign Or Share His Powers

By Celestine Bohlen
New York Times Service

MOSCOW — With pressure mounting on President Boris Yeltsin to step aside or cede some of his constitutional powers, Russian political leaders entered into frantic negotiations Thursday over fundamental changes in the country's economic policies and its political leadership.

As the political vacuum in Russia widened, an early resolution of its imploding financial crisis seemed to slip further away.

For the second successive day, the Moscow currency exchange closed after 10 minutes of trading showed the ruble heading for another steep plunge on the heels of a 40 percent drop Wednesday against the Deutsche mark.

The Central Bank of Russia, its reserves severely depleted, announced Wednesday that it would not intervene to defend the currency.

The currency exchange will remain shut "for some time," the central bank announced Thursday.

The RTS stock index tumbled 17.1 percent to a record low, pushing its decline for the year to 83 percent. Trading was suspended twice during the day as shares plummeted.

With the value of the ruble now suspended and few dollars available even for street trading at rates as high as 12 to the dollar — almost twice the 6.2 rate of two weeks ago — the worsening financial crisis has seeped deep into the economy.

There were scattered reports Thursday of panic buying of food, of stores shutting as they await new prices and of a spreading deadlock on payments from banks to their clients and from employers to their employees.

The United States, meanwhile, on Thursday urged Russia not to abandon pro-market economic reforms and to move quickly to stabilize its battered economy.

"If it changed course in any kind of fundamental way, that would be a serious concern to us," President Bill Clinton's national security adviser, Samuel Berger, said.

Returning from a hasty trip to Ukraine, where he met with the head of the International Monetary Fund, the acting prime minister, Viktor Chernomyrdin, resumed talks with the Communist opposition — emboldened by Mr. Yeltsin's weakened position — over their demands for a reversal in economic policies. The demands center on increased state control over the economy, including the nationalization of strategic industries.

The Communist Party, now the largest opposition party, is also expected to press for a number of jobs in the Chernomyrdin cabinet.

But looming over the future of the new government is the

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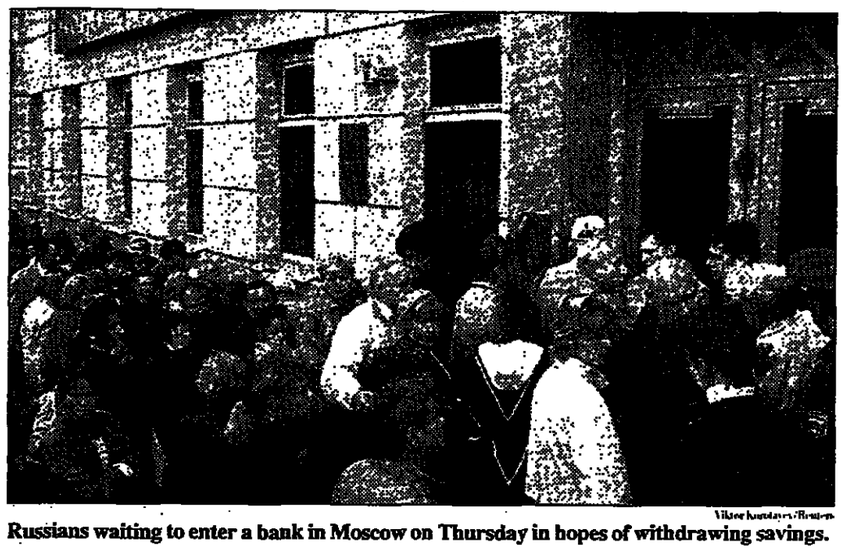

Russians waiting to enter a bank in Moscow on Thursday in hopes of withdrawing savings.

For Asians, Recession Reality

Malaysian Data Leave No Room for Denials

By Keith Richburg
Washington Post Service

KUALA LUMPUR — Malaysia made public some bleak statistics Thursday confirming what economists had long predicted but what government leaders here have consistently denied: After more than a decade of sky-high growth, the country is now in the midst of a severe economic recession.

According to figures from Bank Negara, Malaysia's central bank, the economy contracted 6.8 percent for the second quarter of this year, with the drop felt across all sectors, from agriculture to manufacturing to mining. Worst hit was the construction field, which declined by 22 percent in the quarter.

In addition, the bank said the economy shrank in the first quarter by 2.8 percent, revised from an estimate of a 1.8 percent decrease.

Two successive quarters of negative growth mean that the country is officially in a recession — a fact that Malaysian politicians, particularly Prime Minister Mahathir bin Mohamad, until now had been reluctant to admit.

"At last, there is no more room for denial," said Mohamed Ariff, executive director of the Malaysian Institute of Economic Research, a research organization. "It's a deep recession."

Although economists and technocrats had recognized the severity of the crisis, he said, the government "has always been in denial. The prime minister had been denying the thing." But with the release of the new figures, he said, "It's in the open now."

A key government official Thursday

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Korea Slump 'Full-Blown' After 6.6% Quarterly Fall

By Don Kirk
International Herald Tribune

SEOUL — The battered economy of South Korea shrank at a 6.6 percent rate in the second quarter, pushing it officially into recession, the Bank of Korea said Thursday. It was the worst quarter since 1980.

"We're in a full-blown recession here," said Edward Campbell-Harris, in charge of the Seoul office of Jardine Fleming Securities. "The third quarter could be worse."

The economy has been steadily shrinking since gross domestic product fell at a 3.9 percent annual rate in the first quarter. Overall, the Bank of Korea said, GDP dropped at a 5.3 percent rate in the first six months, the biggest half-year decline since the bank began reporting such statistics in 1953.

Some foreign analysts forecast about an 8 percent decline for the year; official South Korean predictions are for a 6 percent decrease.

"Companies aren't investing," said Richard Samuelson, chief of Warburg, Dillon Read Securities here. "They don't have enough money coming in. It's going to get worse before it gets better, maybe next year."

Economic output began falling at the end of last year, when companies realized that they could not repay their debts and the country asked the International Monetary Fund for a bailout.

Among the hardest hit areas in the second quarter was manufacturing, on which South Korea relies for exports, which had powered the steady economic gains since recovery from the

See KOREA, Page 17

On Page 12, a Closer Look at Fallout From the Turmoil

- **The collapse in emerging markets — the Thailands, Polands and Russias — has wiped out years of gains. The plunge over the last year outranks that of the Mexican peso crisis of 1994-95 and the Gulf War of 1990-91.**
- **Latin American markets are being beaten up by distant events. Analysts are lowering what had been healthy growth estimates.**
- **Investors on a 'flight to quality' are turning to U.S. bonds, whose yields have fallen to their lowest levels in almost 30 years.**
- **Dismal fund returns have left investors in a quandary: Bail out now and avoid more bloodletting? Or tough out the downturn, and maybe even use it as an opportunity to buy at bargain-basement prices?**

Fears Over Moscow Meltdown Send Bourses Plummeting; Dow Takes Biggest Hit of Year

By Mitchell Martin
International Herald Tribune

NEW YORK — The Russian financial crisis took a heavy toll on stock markets around the world Thursday. The Dow Jones industrial average took its biggest tumble of the year, falling 357 points, or 4.2 percent, and indexes in other developed countries were down by as much as 5 percent. Emerging markets in Europe and the Americas saw prices fall 5 percent to 10 percent.

Already depressed Asian markets were less severely affected. In Japan, the Nikkei Stock Average slid to a six-year low, down 3 percent, at 14,413.79.

The paralysis of the Russian financial system took a heavy toll on shares in banks that have investments in the country. Attention was focused on such financial powerhouses as Credit Suisse and Deutsche Bank, which analysts said had the most significant exposures to Russia, via loans and investments in bonds and other assets.

Russia last week abandoned its defense of the ruble and announced a 90-day payment moratorium on debt owed to foreigners. The country's problems reflect in large part the deflationary pressures that first became apparent in Asia last year. Not only did the ensuing currency crises deter investment in all emerging markets, they also reduced the price of oil, one of Russia's main foreign-currency earners.

"The key thing is deflation," said Zhao Chen, managing editor of BCA Emerging Markets Strategist, a newsletter in Montreal. "Russia is the world's second-largest oil and gold producer, and they are the key exporter of a lot of industrial materials."

The pressure on commodity prices was evident in the currency markets, where the Canadian and Australian dollars came under substantial pressure. The Bank of Canada raised its overnight lending rate to 6 percent from 5 percent, but its dollar fell. (Page 13).

The Australian dollar fell to 55.45 U.S. cents from 56.61 on Wednesday. It touched a record low, trading at 54.82 cents at one point.

Banking and financial issues were among the most-active losers on the New York Stock Exchange, with Chase Manhattan Corp., Merrill Lynch & Co., Citicorp and BankAmerica Corp. showing sizable drops. American banks had about $7.1 billion of exposure to Russia a the end of last year, far less than the $30.5 billion in Germany and about the same level as France, according to figures from the Bank for International Settlements. But Republic New York Corp. said it would take a $110 million charge in the third quarter for losses on Russian government bonds. The bank, which is valuing the bonds at 15 cents to the dollar, said the charge would "substantially" wipe out third-quarter earnings.

In European trading, Deutsche Bank fell 8.65 Deutsche marks, to 114.2 DM, reflecting its exposure to Russia. Bayerische Vereinsbank AG was down 18 DM, to 139 DM. Dresdner Bank AG and Commerzbank AG were also lower, though not as much. Credit Suisse lost almost 10 percent of its value, falling 23.5 francs, to 261.5 francs.

In Paris, banks and companies with Russian investments, such as the automaker Renault SA, also recorded sharp falls. The CAC-40 index of leading French stocks fell 4.3 percent, to 3,745.64, its biggest fall in percentage terms since Oct. 5 1992.

The drop in the Dow, which finished at 8,165.99, was the biggest in percentage terms since last October.

Despite the Russian exposure, analysts said a default crisis among banks was not imminent. Samuel Theodore of Moody's Investors Service in London, said much of the lending done by Continental banks in Russia was guaranteed by the Western governments, which were seeking to encourage Russia's country's economic growth.

In addition, the banks have already classified much of their Russian exposure as risky, he said, assuming for accounting purposes that parts of it would not be paid. These provisions, when added to the government guarantees, made a worldwide banking crisis arising directly from Russia's problems unlikely.

See MARKETS, Page 14

The Dollar

New York	Thursday @ 4 P.M.	previous close
DM	1.7957	1.8065
Yen	141.8	144.225
FF	6.025	6.055
Pound (Dollars per pound)	1.655	1.637

The Dow

	Thursday close	percent change
— 357.36	8,165.99	— 4.19%

S&P 500

— 41.68	1,042.51	— 3.84%

Nasdaq

— 81.72	1,686.41	— 4.62%

Tumbling Markets

Percentage change in main share indexes:

	Thursday	Year-to-date
Japan	[illegible]	[illegible]
S. Korea	[illegible]	[illegible]
Malaysia	[illegible]	[illegible]
Germany	[illegible]	[illegible]
Britain	[illegible]	[illegible]
Russia	[illegible]	[illegible]
Brazil	[illegible]	[illegible]
Mexico	[illegible]	[illegible]

Source Bloomberg — IHT

2 Terror Suspects Are Flown to U.S.

One Quickly Charged in Kenya Blast

Compiled by Our Staff From Dispatches

NEW YORK — A suspect in the bombing of the U.S. Embassy in Nairobi was charged by Manhattan federal prosecutors on Thursday in the murder of 258 people killed by the blast.

Twelve U.S. nationals were among the dead.

The defendant, Mohammed Rashed Daoud Owhali, also known as Khalid Salim Saleh bin Rashed, was arraigned on a 14-count complaint accusing him of 12 counts of murder and one count each of murder conspiracy and use of weapons of mass destruction.

It also alleges that he confessed to his role in the bombing and said it was supposed to be a "martyrdom operation," which he did not expect to survive.

A second suspect in the Nairobi bombing was also flown Thursday to the United States, where he will be charged.

"He's gone," said a Nairobi-based U.S. diplomat. "Mohammed Sadiq Odeh was sent to the U.S. this morning from Kenya. He will be charged there."

Attorney General Janet Reno said at a Washington news conference that the arrests had resulted from "the most extensive overseas investigation" in U.S. history.

"We have linked arms with law enforcement around the world," she said. "And today we have results. A great wrong has been done. We are not going to rest. We are not going to forget. We are going to pursue every last murderer until justice is done."

The two suspects in the Nairobi bombing were sent to the United States after meetings between government and law enforcement officials, Attorney General Amos Wako of Kenya said Thursday in Nairobi.

Officials in Washington said that others among several suspects in custody in Kenya could also be sent to the United States for trial.

The decision to try the two, and perhaps others, in the United States represented a swift resolution of the potentially thorny problem of whether Kenya or the United States would handle the first prosecutions.

Kenyan officials were said to be eager to seek justice for the hundreds of Kenyan victims but wary that a trial there might invite new terrorist assaults on Kenyan targets.

The Aug. 7 explosion in Nairobi, besides killing 258 people, injured more than 5,000. An almost simultaneous attack on the U.S. Embassy in neighboring Tanzania's capital killed 12 and injured dozens.

The federal complaint alleges Mr. Owhali along with

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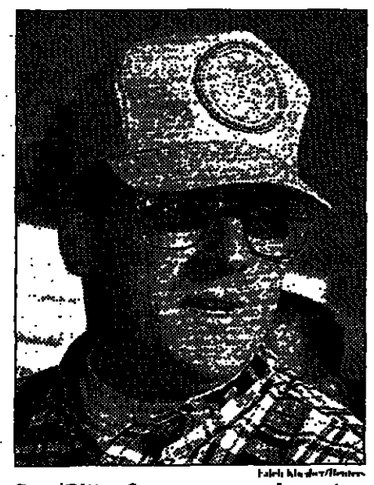
Inspector Quits, Calling Iraq Searches a 'Farce'



Scott Ritter, former weapons inspector.

By Judith Miller
New York Times Service

NEW YORK — The longest-serving U.S. weapons inspector in Iraq has resigned, charging that the secretary-general of the United Nations, the Security Council and the Clinton administration had stymied the inspectors on "the doorstep" of uncovering Iraq's weapons programs.

The inspector, Scott Ritter, said in his resignation letter that the failure to push aggressively

U.S. set pattern of search delays. Page 2.

ahead with the inspections was "a surrender to Iraqi leadership" that made a "farce" of the commission's efforts to prove that Iraq was concealing chemical, biological and nuclear weapons programs.

Mr. Ritter asserted that the lack of will stemmed from a policy shift by the Security Council and the secretary-general that was backed "at least implicitly by the United States." He made his resignation letter public Wednesday in an effort to force the United States and the United Nations to return to a tougher stance.

The administration heatedly denied Mr. Ritter's conclusions, saying it had faithfully backed the inspections in Iraq.

An administration official insisted that the United States was "keeping up the pressure on Iraq." Within the last week, for instance, the United States and its allies have quietly moved ships into waters near Iraq to keep President Saddam Hussein from smuggling out oil by sea. A spokesman for Kofi Annan, the secretary-general, said Mr. Annan "does nothing at the behest of Iraq." Richard Butler, chairman of the inspection team, declined to comment.

In an interview, Mr. Ritter asserted that the administration had been secretly trying since late last year to find a diplomatic solution for its confrontation with Mr. Saddam and in doing so had abandoned a policy, in effect since the end of the Gulf War in 1991, to use sanctions and the threat of military force to compel the Iraqi leader's cooperation.

["If we continue down this path, there will be a compromise solution," The Associated Press

See INSPECTOR, Page 4

AGENDA

Libya Still Hedges On Bomb Suspects

LONDON (Reuters) — The leader of Libya, Moammar Gadhafi, said Thursday that his country had no objections to handing over two suspects in the Lockerbie bombing for trial at The Hague but he wanted guarantees.

"I think Libya has no objection," Colonel Gadhafi told CNN. "But I am not sure America and the United Kingdom have good intentions to solve this problem."

"Of course Libya is ready to talk directly," he added. "But more details must be clear."

Earlier article, Page 2

Another 3 Climbers Die on Mont Blanc

CHAMONIX, France (AFP) — French rescue police on Thursday warned climbers off Mont Blanc, western Europe's highest mountain, after three more climbers fell to their deaths from an easy route made treacherous by freezing rain.

The three — two French nationals and a Czech — fell as two roped climbing parties passed one other.

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France	10.00 FF	Saudi Arabia	10 SR
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Italy	2,800 Lire	Spain	225 Ptas
Ivory Coast	1.250 CFA	Tunisia	1.250 Din
Jordan	1.250 JD	U.A.E.	10.00 Dh
Kuwait	700 Fils	U.S. Mil. (Eur.)	$1.20

Nazi-Era Slave Laborers to Sue German Companies

By John Schmid
International Herald Tribune

FRANKFURT — A New York lawyer who has successfully pressed legal cases linked to the Holocaust against Swiss banks said Thursday that he would file a sweeping class-action lawsuit in the United States on Monday against 16 German industrial companies seeking damages on behalf of wartime slave laborers.

The suit — which names Volkswagen AG, Siemens AG, Daimler-Benz AG, BMW AG, Krupp-Hoesch AG and others — is the latest move to put German companies under unprecedented legal and political pressure to pay compensation to Nazi-era victims and their heirs. Already, the question of compensation for slave laborers has become a feature in the German national elections, which will be held next month.

The text of the proposed suit, which will be filed in federal and state courts in California, includes named claimants now living in the United States who were, for the most part, born in Eastern Europe and then forced to work in German factories during World War II.

The general practice of forced labor during the war is not in dispute. An estimated 8 million workers were involved, in both factories and on farms, though most are now deceased.

Eager to shield themselves from looming litigation, German companies this month lined up behind a plan to pool funds into a "humanitarian" account to be established by the German government and earmarked for wartime survivors, mainly former slave laborers or *zwangsarbeiter*.

The historian Christopher Kopper, son of the chairman of Deutsche Bank's supervisory board, in recent weeks has

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هكذا من الأصل

Winner of Booker Prize / *Author Provokes Harsh Criticism With Essay*

A Message to India: No Thanks, No Nukes

By Barry Bearak
New York Times Service

NEW DELHI — With their pride still measured in megatons, and with a strut still in their step after showing they can explode bombs with the best of them, most of India's elite did not want one of their own telling them that "the air is thick with ugliness and there's an unmistakable stench of fascism in the air."

Worse yet, she told them that the world now knows "what a tired, broken-hearted people we are," a people so in need of a booster shot of self-esteem that "we set up this craven clamoring to be admitted to the club of superpowers."

These severe assessments came from Arundhati Roy, who ascended into international literary stardom last year with her first novel, "The God of Small Things" (Random House). A best-seller in India, America, Britain and elsewhere, it won the coveted Booker prize. Indians were proud of her global renown.

But early this month, a haunting 8,000-word essay by Ms. Roy, "The End of Imagination," appeared as the cover story in two popular Indian news magazines. Deeply personal, poetical and unsparingly harsh, it lambasted the nation's main political parties and called the bomb a "final act of betrayal by a ruling class that has failed its people."

India has long had a small, if spirited, anti-nuclear movement. While others may have shown a more steadfast devotion to the cause, the cameras these days mostly seem to follow the better-known Ms. Roy, 38. She has spoken at peace rallies in New Delhi, Bombay and Madras, and last week she risked her first personal appearance at a place she expected to be hostile — her alma mater, the Delhi School of Planning and Architecture.

In 1981, she was a fledgling architect, emotionally at war with a college she considered stodgy and stifling. Although she was trained as an architect, she has made her livelihood in other ways.

Agence France-Presse

India has long had a small, if spirited, anti-nuclear movement. Its star now is Arundhati Roy, 38, the winner of the Booker Prize.

INVITED NOW by a student group, she walked tentatively into the circular art studio. A crowd of 150, most of them students seated cross-legged on the floor, were fighting an indoor heat that had them wilting like parched house plants. They greeted her without applause.

"I'm not a public speaker and I don't trust myself to extemporize much," she began apologetically.

But she had prepared no speech. Instead, she said, she would show them a British documentary about radiation poisoning of people who live near India's nuclear power plants.

Then she would read excerpts from her long essay. Finally, she would take questions.

"Nuclear weapons pervade our thinking," she read. "Control our behavior. Administer our societies. Inform our dreams. They bury themselves like meat hooks deep in the base of our brains. They are purveyors of madness. They are the ultimate colonizer. Whiter than any white man that ever lived. The very heart of whiteness."

She went on: "If protesting against having a nuclear bomb implanted in my brain is anti-Hindu and anti-national, then I secede. I hereby declare myself an independent, mobile republic. I am a citizen of the earth. I own no territory. I have no flag."

She criticized the United States for bringing nuclear terror into the world, but then said that India's decision in May to test nuclear weapons forfeited its claim to higher ground.

"We're the ones who have abandoned what was arguably a moral position: We have the technology, we can make the bombs if we want to, but we won't. We don't believe in them."

The audience had been politely silent, some of them awaiting their chance to respond. Sandeep Sudhakaran, 19, was the first to stand up.

"If Pakistan has a bomb, then we should have a bomb," he said heatedly. "The only way New Delhi can assure itself of not being destroyed is to have a bomb."

Applause for the student was at least equal to that given the writer. Ms. Roy frowned. "Here I am in a den of hawks," she said.

Criticism of her essay has been harsh. People have called her naive, sentimental, unpatriotic. They accuse her of using her writing talent for political objectives and of airing India's dirty laundry.

The essay has already been reprinted in Pakistan, England and Germany and translated into Hindi, Marathi, Tamil, Malayalam and other Indian languages.

"Why is it so convenient for her to bash India when the world is a ready audience, all ready to break into applause at anti-India rhetoric?" wrote a newspaper columnist, Shobori Ganguly. "It is intriguing that Roy should articulate the arguments of hand-picked Western peaceniks, who are enormously comfortable with India as the land of snake-charmers and fakirs."

MS. ROY, WHO lives in New Delhi, says there is no way to answer such complaints: To her, the arguments for nuclear morality do not breathe the same air as nuclear realpolitik. There is no room for discussion, just the recognition of right and wrong. Her opinions are nonnegotiable.

As other students at the architecture school questioned her reasoning — and her motives — she grew exasperated. "You keep saying that nuclear technology is here to stay," she said. "I say, well, so are we who are here to oppose it."

When the-two-and-a-half-hour session was over, Ms. Roy had seemed to make few converts. Even her great admirers, those who stayed late to ask for an autograph or simply to get closer, expressed their reservations about what she had said. Why had she shown them a British documentary, with a "white woman" doing the narration? How could she question the right of popularly elected officials to make nuclear policy?

Mohet Kumar, 23, a student clearly enamored of the guest celebrity, followed her to the door, saying that, of course, she was right and, of course, he agreed with much that she said.

But there was something bothering him, a question that he, like so many of his friends, could not get past.

"How would you feel if Pakistan had the bomb and we did not?" he asked. "How would a person be expected to feel then?"

Once again, the writer frowned.

U.S. Repeatedly Blocked UN Inspections in Iraq

By Barton Gellman
Washington Post Service

WASHINGTON — The Clinton administration has intervened repeatedly since autumn to delay or prevent intrusive weapons inspections in Iraq by United Nations teams, according to American and diplomatic accounts.

The interventions included at least six occasions, beginning in November 1997, in which Secretary of State Madeleine Albright or other top administration officials sought — with success in each case but one — to persuade the chief UN inspector, Richard Butler, to rescind orders for surprise searches or to remove a controversial inspector.

Since the first report surfaced this month of the administration's efforts to restrain the special commission, Mrs. Albright has complained angrily to associates that she was portrayed as unprincipled or soft on Iraq. In private conversations, according to accounts of those present, she argued that the administration sought only to control the pace of confrontation with Iraq to create the best conditions in which to prevail.

The efforts to restrain searches conflicted with robust public rhetoric in support of the right of the special commission, known as Unscom, to make what Mrs. Albright often called "unfettered, unconditional inspections," and coincided with military threats.

Undersecretary of State Thomas Pickering said in a telephone interview that any mere list of U.S. interventions to restrain the special commission "misses reams of context and a great deal of what was happening in and around the process that clearly informed our decisions."

In an interview, Mr. Butler deflected direct questions about specific American attempts to influence the commission's work, but acknowledged unspecified instances of intervention in his operational decisions.

"I have received representations about how I should conduct this work, sometimes with quite specific aspects, including the identity of the chief inspector, from multiple sources," he said. "Representations of views on such subjects by the United States were certainly not the only ones I received. A number of members of the Security Council have views on the same subjects and felt happy in coming to me with those views, and sometimes expressing them very strongly. I've sometimes felt strongly in the sense that I was being threatened."

U.S. efforts to restrain the most provocative of Mr. Butler's inspections began Nov. 22, 1997, according to individuals with knowledge of the events and according to supporting documents.

In October 1997 Iraq had expelled all American nationals on the inspection teams. The Clinton administration, though well aware of what it called "sanctions fatigue" among its allies, was stunned nonetheless by the weakness of the Security Council's reply: On Nov. 12, in Resolution 1,137, the council voted only to limit international travel by a handful of Iraqi officials. For a brief period, Iraq allowed inspectors to return, and Mr. Butler dispatched a team that arrived in Baghdad on Nov. 21 and 22.

Mr. Butler had signed confidential orders for a no-notice inspection Nov. 23 of the former headquarters of the 3d Battalion of the Special Republican Guard. Following a standard procedure that neither the special commission nor Washington officially acknowledges, Mr. Butler's senior staff briefed a liaison officer from the Central Intelligence Agency on the target, sources said.

Mrs. Albright telephoned Mr. Butler, sources said, urging him to delay the operation.

Around midnight at the special commission's headquarters in Iraq, the inspection team received new orders from Mr. Butler aborting its mission. Soon afterward, Mr. Butler issued guidance to his senior staff ruling out new inspections until further notice at the Special Security Organization, Special Republican Guard, Republican Guard or any other Iraqi site designated "sensitive" by the Baghdad government.

To keep ahead of the inspectors, Iraq moves forbidden weapons components and the documents describing them every 30 days, and it conducts drills to evacuate or destroy evidence on 15 minutes' notice, sources said. It has proved difficult for inspectors to move as quickly.

On Dec. 16, Mr. Butler signed written orders for an aggressive program of surprise inspections.

Following the orders, Scott Ritter, the leader of Unscom 218, the team assigned to the inspections, left Bahrain for Baghdad. On Dec. 18, he conducted the first of his no-notice inspections — and was met with outrage by Iraqi officials.

At about that time, the U.S. government began pressing Mr. Butler to cancel the rest of the intrusive inspections, according to officials.

'I've sometimes felt strongly in the sense that I was being threatened.'

Later Dec. 18, Mr. Butler telephoned Mr. Ritter and rescinded his remaining inspection orders.

The following month, when Mr. Ritter returned with a subsequent team, Unscom 227, Iraq again halted the commission's work, on Jan. 12.

Mr. Butler had signed new search orders for Jan. 16, but on Jan. 15, Bill Richardson, then the chief U.S. delegate to the United Nations, called Mr. Butler to his office in Manhattan and asked him to withdraw Mr. Ritter from Iraq.

Mr. Butler complied immediately. Mr. Ritter left Baghdad ahead of schedule, but read a statement drafted for him in New York and Washington portraying his departure as routine.

After an American military and diplomatic buildup, Iraq agreed Feb. 23 to unrestricted access for inspectors and a new set of special procedures at eight so-called presidential sites. The secretary-general of the United Nations, Kofi Annan, who had negotiated the deal with Iraq, urged Mr. Butler not to send Mr. Ritter — as he planned — in the first inspections testing that agreement.

Mrs. Albright telephoned Mr. Butler around that time, sources said, with similar advice. Mr. Butler dispatched Mr. Ritter anyway, and Mrs. Albright telephoned again March 2 with a more forceful restatement of the U.S. objection.

The same day, the Security Council passed the U.S.-drafted resolution promising "severest consequences" if Iraq failed to keep its promises.

On March 3, Mr. Butler relieved Mr. Ritter of command. But after Mr. Ritter's four senior subordinates sent Mr. Butler a fax protesting the decision, Mr. Butler reversed himself.

In March, the United States and Britain withdrew crucial elements of the intelligence support that allowed the special commission to observe Iraqi concealment efforts as they happened during surprise inspections.

In August, additional inspections were aborted.

Libya Said to Ask for Delay in Extraditing 2 Suspects

Compiled by Our Staff From Dispatches

CAIRO — Libya is asking for a delay in handing over two suspects in the 1988 bombing of a Pan Am airliner over Scotland, but it is sticking to its agreement to allow them to be tried in the Netherlands, an Arab League official said Thursday.

Deputy Secretary-General Ahmed ben Hili said the government of the Libyan leader, Moammar Gadhafi, "only needs some time" to prepare for the men's transfer.

He did not specify how long that might be.

Mr. ben Hili said Ahmed Adel, a senior aide to the Arab League's secretary-general, Esmat Abdel Meguid, had passed the Libyan request for postponement to Wayne Neill, a senior U.S. diplomat in Cairo.

The Middle East News Agency quoted Mr. Adel as saying after his meeting with Mr. Neill that Libya needed more time "to study the procedures and receive some more clarifications."

A spokesman for the U.S. Embassy in Cairo confirmed that Mr. Neill and Mr. Adel had met but would give not details of the talks.

"It is imperative to give Libya more time," the news agency said, quoting Mr. Adel.

Mr. ben Hili said Libya wanted to work out "practical procedures" to extradite the suspects.

"We think this should not be a problem as long as the Libyans accept the proposal," Mr. ben Hili said. "There should no dictation and no conditions."

The destruction of the Pan Am Boeing 747 killed 259 people on the plane and 11 on the ground.

On Wednesday, the Libyan Foreign Ministry announced "its acceptance of the development in the positions of the governments of the United Kingdom and the United States."

But a Foreign Ministry statement stopped short of committing Libya to turning over the suspects — Abdel Basset Ali Megrahi and Lamin Khalifa Fhimah. *(AFP, Reuters, AP)*

■ **Lawyer Sees No Trial for a Year**

The Scottish lawyer acting for two Libyans accused in the bombing said Thursday that he did not expect a trial for at least a year and noted that the pair had not agreed to leave Libya, Reuters reported from London.

Alistair Duff, acting for the accused pair, said: "If I was given facilities to begin preparing the case today, I cannot imagine I would be in a position to proceed with the trial before at least a year from now."

Mr. Duff, speaking on BBC Radio, said the two had not agreed to leave Libya. "I know they have not," he said.

Mr. Duff did not see the Libyan statement as an unqualified acceptance of the proposal by London and Washington.

"It seems to me nothing more than a very polite statement that this will be looked at positively," he said.

"It will be given the interest it deserves, which is a fairly loaded way of putting it. It seemed to me a typically polite Arab way of approaching a public statement."

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TRAVEL UPDATE

JAL Adds Flights as Northwest Cuts

TOKYO (Bloomberg) — Japan Airlines said Thursday it would add nine flights to make up for some of those canceled by Northwest Airlines Inc., as the U.S. carrier's pilots prepared to strike.

JAL will provide seven extra flights between Honolulu and Tokyo or Osaka and two extra flights between Los Angeles and Tokyo, from Friday to Monday, the airline said.

The flights will be limited to Northwest passengers, with no seats sold to other travelers, said Geoffrey Tudor, a spokesman for the airline.

Europe Flight Delays at 9-Year High

BRUSSELS (Reuters) — Flight delays at European airports hit a nine-year peak in June, the organization representing the continent's flag carriers said on Thursday.

The Association of European Airlines, to which 27 European airlines belong, urged politicians to act to improve air-traffic control. The association advocates a single control system for Europe.

In June, the association said, 29.1 percent of all flights of the association's member carriers were delayed on departure by more than 15 minutes.

Istanbul Subway's First Track Laid

ISTANBUL (AFP) — The mayor of Istanbul, Recep Tayyip Erdogan, on Thursday welded down the first rail for a subway system that is being built by a French-led consortium.

The first stretch, an 8-kilometer (5-mile) line between Taksim Square and the Levent district, is due to be operational by next year. It is expected to carry about 70,000 passengers an hour.

WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.

North America
Hurricane Bonnie may cause strong winds and heavy rain in Boston Saturday as she heads out into the Atlantic. A warm and humid weekend over the rest of the Northeast with thunderstorms possible, then sunny and nice Monday. Mostly sunny and dry from the northern Plains to the Midwest.

Europe
Plenty of sun and warm across all of the British Isles, France and Germany Saturday to Monday. Poland will be cloudy and cool Saturday, then sunny and dry. Showers and thunderstorms with some heavy downpours are in store for Greece and western Turkey. Hot with plenty of sunshine across Spain.

Asia
Typhoon Rex will reach central Japan Saturday; heavy rain with flooding likely from Tokyo on north across Hokkaido over the weekend. Partly sunny, dry and a little cooler than normal in Beijing, but Seoul will likely have some showers. Monsoon rain will soak western India, including Bombay.

Maps, forecasts and data provided by AccuWeather, Inc. ©1998 - http://www.accuweather.com

Europe

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Algarve	27/80	17/62 s	26/79	17/62 s
Amsterdam	15/59	7/44 c	14/57	13/55 r
Athens	37/98	13/55 s	36/97	14/57 s
Athens	33/91	26/77 s	34/93	24/75 pc
Barcelona	23/73	14/57 s	22/71	18/61 s
Belgrade	21/70	8/46 sh	23/73	8/46 s
Berlin	12/53	11/52 r	16/61	9/48 r
Brussels	14/57	7/44 c	15/59	12/53 sh
Budapest	19/66	8/46 pc	20/68	9/48 pc
Copenhagen	14/57	10/50 r	17/62	9/48 pc
Costa Del Sol	31/88	17/62 s	27/80	19/66 s
Dublin	18/64	13/55 sh	21/70	14/57 c
Edinburgh	17/62	13/55 sh	22/71	13/55 c
Florence	23/71	9/48 pc	23/73	10/50 pc
Frankfurt	11/52	10/50 r	15/59	7/44 r
Geneva	18/64	6/43 pc	18/64	8/46 pc
Helsinki	16/61	7/44 c	12/53	9/48 r
Istanbul	29/84	21/70 s	32/89	21/70 s
Kiev	19/66	13/55 sh	18/64	8/46 pc
Las Palmas	31/88	23/73 s	27/80	19/66 s
Lisbon	24/75	17/62 pc	24/75	18/64 pc
London	18/64	12/53 pc	19/66	14/57 sh
Madrid	32/89	14/57 pc	30/86	15/59 pc
Mallorca	28/82	14/57 s	27/80	14/57 s
Milan	23/73	10/50 s	23/73	11/52 s
Moscow	17/62	10/50 sh	16/61	11/52 r
Munich	12/53	5/41 c	12/53	4/39 sh
Nice	23/73	15/59 s	22/71	17/62 s
Oslo	17/62	9/48 c	17/62	11/52 c
Paris	17/62	7/44 pc	17/62	11/52 pc
Prague	11/52	8/46 sh	14/57	7/44 r
Reykjavik	14/57	12/53 pc	16/61	8/46 r
Riga	16/61	9/48 pc	17/62	10/50 pc
Rome	27/80	15/59 pc	28/77	13/55 s
St. Petersburg	17/62	9/48 pc	16/61	11/52 r
Stockholm	15/59	8/46 c	15/59	9/48 c
Strasbourg	16/61	7/44 c	16/64	8/46 c
Tallinn	15/59	8/46 c	14/57	11/52 r
Tel Aviv	30/87	23/73 s	30/100	23/73 s
Venice	21/70	11/52 s	21/70	11/52 pc
Vienna	18/64	7/44 pc	17/62	8/46 c
Warsaw	15/59	7/44 c	13/55	8/46 sh
Zurich	16/61	7/44 pc	17/62	7/44 pc

Middle East

Abu Dhabi	45/113	29/84 s	47/116	29/84 s
Beirut	31/88	24/75 s	32/89	26/79 s
Cairo	36/97	23/73 s	37/98	25/77 s
Damascus	39/102	18/64 s	40/104	19/66 s
Jerusalem	32/89	19/66 s	34/93	21/70 s
Luxor	41/106	27/80 s	42/107	27/80 s
Riyadh	42/107	31/88 s	44/111	29/84 s

North America

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Anchorage	14/57	9/43 sh	12/53	3/37 pc
Atlanta	34/93	23/73 s	32/89	23/73 c
Boston	29/82	19/66 pc	26/79	17/62 sh
Chicago	30/86	19/64 pc	29/84	17/62 pc
Dallas	37/98	23/73 t	36/97	23/73 t
Denver	30/86	19/66 pc	31/88	14/57 t
Detroit	29/84	19/66 r	28/82	17/62 pc
Honolulu	29/84	23/71 c	31/88	23/73 pc
Houston	36/97	26/79 pc	36/97	23/73 pc
Los Angeles	33/91	23/73 s	34/93	18/64 s
Miami	33/91	27/80 t	34/93	26/79 t
Minneapolis	29/84	17/62 s	28/82	14/57 s
Montreal	24/75	16/61 r	26/79	16/61 sh
Nassau	32/89	26/79 pc	34/93	26/79 pc
New York	27/80	21/70 pc	31/88	21/70 pc
Orlando	34/93	25/77 pc	34/93	24/75 t
Phoenix	41/106	30/86 s	44/111	30/86 pc
San Fran.	26/79	14/57 s	26/79	15/59 pc
Seattle	29/84	16/61 s	29/84	16/61 pc
Toronto	27/80	14/57 t	27/80	14/57 pc
Vancouver	27/80	17/62 s	27/80	16/61 pc
Washington	30/86	21/70 pc	32/89	22/71 pc

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice, W-Weather.

Asia

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Almaty	35/95	17/62 s	34/93	19/64 s
Bali	32/89	22/71 pc	32/89	21/70 pc
Bangkok	34/93	26/79 pc	34/93	25/77 pc
Beijing	32/89	21/70 s	31/88	21/70 pc
Bombay	28/82	24/75 r	27/80	24/75 r
Calcutta	34/93	27/80 sh	34/93	27/80 sh
Chiang Mai	32/89	23/73 r	32/89	23/73 r
Colombo	28/82	25/77 t	28/82	24/75 r
Hanoi	33/91	28/82 t	32/89	27/80 t
Ho Chi Minh	33/91	25/77 r	32/89	24/75 pc
Hong Kong	32/89	27/80 pc	32/89	27/80 pc
Islamabad	34/93	23/73 s	33/91	23/73 s
Jakarta	32/89	24/75 pc	32/89	24/75 pc
Karachi	34/93	28/82 pc	35/95	29/84 pc
K. Lumpur	31/88	24/75 r	31/88	23/73 r
K. Kinabalu	32/89	24/75 sh	31/88	23/73 r
Manila	31/88	24/75 r	31/88	24/75 c
New Delhi	36/97	26/79 pc	36/97	27/80 pc
Phnom Penh	33/91	23/73 sh	32/89	24/75 pc
Phuket	34/93	26/79 pc	34/93	25/77 pc
Rangoon	30/86	25/77 sh	29/84	24/75 t
Seoul	28/82	17/62 pc	27/80	17/62 pc
Shanghai	29/84	23/73 c	28/82	22/71 c
Singapore	29/84	23/73 t	31/88	22/71 r
Taipei	33/91	26/79 c	32/89	25/77 sh
Tokyo	29/84	26/79 r	29/84	27/80 r
Vientiane	31/88	24/75 sh	30/86	23/73 t

Africa

Algiers	31/88	16/61 s	28/82	17/62 s
Cape Town	23/73	9/48 s	17/62	4/39 s
Casablanca	26/79	16/61 s	22/71	17/62 s
Harare	19/66	8/46 s	21/70	9/48 pc
Lagos	28/82	23/71 pc	28/82	23/73 pc
Nairobi	22/71	13/55 sh	23/73	10/50 c
Tunis	34/93	18/64 s	31/88	17/62 s

Latin America

Buenos Aires	20/68	8/46 pc	18/61	9/46 pc
Caracas	31/88	22/71 pc	29/84	22/71 pc
Lima	21/70	17/62 s	21/70	17/62 s
Mexico City	20/79	16/61 c	20/68	13/55 c
Rio de Janeiro	29/77	19/66 pc	29/77	20/68 pc
Santiago	23/73	4/39 s	22/71	8/46 s

Oceania

Auckland	18/61	11/52 pc	17/62	9/48 s
Sydney	18/64	9/48 s	21/70	11/52 s

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JAPAN	¥	26,000	12,150	53%
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NETHERLANDS	NLG	195	78	60%
NORWAY	NOK	832	390	53%
SINGAPORE	S$	161	82	49%
SPAIN	PTAS	11,700	5,000	57%
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THE AMERICAS

John Moore/Agence France-Presse

Mr. Clinton boarding his plane on Thursday for a short flight to Worcester.

Clinton Appears in Public but Ignores 'The Issue'

The Associated Press

WORCESTER, Massachusetts — President Bill Clinton left his vacation retreat on Martha's Vineyard on Thursday to introduce a new guide to help prevent school violence. Despite pressure from his advisers and influential Democratic Party leaders, he did not speak out again about the controversy engulfing his presidency.

Mr. Clinton, in his first public appearance since admitting an inappropriate relationship with Monica Lewinsky, said the education guide would "help schools recognize a troubled and potentially violent young person."

Mr. Clinton, who interrupted his vacation to deliver the speech, got a warm airport welcome from high school students who were given the morning off school. Massachusetts' two Democratic U.S. senators and four Democratic congressmen turned out to greet him as well.

But there were reminders of the Lewinsky investigation wherever he went.

As the president's motorcade traveled along Pleasant Street, bystanders waved and smiled but one held up a sign that said, "Mr. Clinton, time to resign."

Signs held above the crowd outside the hall where Mr. Clinton spoke registered opinions both pro and con. Two of the latter read, "Liar, Cheat, resign," and "You lied to the Am people and defamed those who called you to account."

■ Advisers Tell Him to Say More

John F. Harris of The Washington Post reported earlier from Edgartown, Massachusetts:

President Clinton's political advisers have reached virtually unanimous agreement that he must say more publicly about his relationship with Ms. Lewinsky, sources said, but they have so far yet to win agreement from a reluctant first family on a strategy for halting erosion in Democratic support for the president.

Democrats who have been campaigning during the congressional recess fear the president's acknowledgment that he deceived the nation about his relationship with the former White House intern could harm the party in the fall elections and that Mr. Clinton's problems are obscuring nearly all efforts to communicate a positive Democratic message.

Mr. Clinton, who aides said has been on the phone regularly with Democratic lawmakers in recent days, is looking for ways to win back the support he lost following his Aug. 17 address.

Clinton advisers are discussing possible forums where the president could discuss the controversy at greater length, showing more of the humility and contrition that many said was missing from last week's speech.

One leading possibility, among several, is for Mr. Clinton to talk about the matter before a previously scheduled breakfast with religious leaders on Sept. 11, advisers said. But these sources noted that Mr. Clinton has given no commitments, and cautioned that the first lady, Hillary Rodham Clinton, may be opposed to having the president say more.

The opinion among political advisers, both on and off the White House staff, that Mr. Clinton must say more reflected their deepening anxiety that Democrats are taking flight from the president just as he most needs them to come to his aid for an impending showdown with the independent counsel, Kenneth Starr, who is preparing a report on his investigation of the president to send to Congress.

On Wednesday, Senator Russell Feingold, a Wisconsin Democrat, told local law enforcement officials in Milwaukee that "we have to determine whether the president can restore his credibility with the American people or whether he should consider an alternative."

Later in an interview, Mr. Feingold said he was not recommending that Mr. Clinton resign, but that he "consider that one of a series of options that may be necessary if it's not possible to have the confidence of the American people."

Asked whether he thought it was possible for Mr. Clinton to repair his credibility after misleading people for seven months about whether he had a sexual relationship with Ms. Lewinsky, Mr. Feingold said: "I don't know. I think it's difficult but possible. Very difficult."

Mr. Feingold's dire assessment came a day after pointed remarks by both House minority leader, Richard Gephardt of Missouri and the chairman of the Democratic National Committee, Roy Romer, which made plain that despite Mr. Clinton's plea for the nation to "move on," the issue is going to haunt the White House unless Mr. Clinton does more to put questions to rest.

Even the Americans for Democratic Action, a longtime liberal organization, issued a statement condemning Mr. Clinton and charging that he "chose to abuse his power."

The White House was most alarmed by Mr. Gephardt's open speculation on Tuesday about the possibility of impeachment.

The report that Mr. Starr is planning to send to Congress within weeks may require lawmakers to "make a judgment on whether or not he should be expelled from office," Mr. Gephardt said.

The White House chief of staff, Erskine Bowles, who in recent days has joined the damage-control effort after months of delegating this job to others, phoned the minority leader to express concern, White House officials and Mr. Gephardt said.

While not stepping aside from his earlier comments, Mr. Gephardt emphasized that he supported Mr. Clinton.

Reno Reopens Investigation of Gore's Fund-Raising

By David Johnston
New York Times Service

WASHINGTON — Attorney General Janet Reno on Thursday advanced a significant step closer toward deciding whether to ask for an independent prosecutor to investigate the role of Vice President Al Gore in fund-raising for the 1996 campaign.

Ms. Reno ordered a 90-day preliminary inquiry into whether Mr. Gore lied to investigators last year when he was initially interviewed about his telephone solicitations to donors from the White House.

Referring to the statute that created the office of the independent prosecutor, she said in a statement Thursday, "The authors of the act established a preliminary investigation period to allow us to ensure that any decision to appoint an independent counsel would be based on thorough analysis. During the preliminary investigation, I will consider the facts and I will consider the law, but I will consider nothing else."

A spokesperson for the vice president, Chris Lehane, said Thursday: "The vice president will continue to cooperate fully with the Department of Justice. While we understand the need for the Justice Department to complete its preliminary review, we are confident it will once again conclude that everything the vice president did was legal and proper."

The investigation into Mr. Gore's fund-raising calls was reopened after the White House produced a 1995 memo last month that suggested Mr. Gore and other Democratic campaign officials had discussed how the money he solicited would be used.

In addition, investigators in recent days have interviewed several of the participants at the meeting, who have indicated that Mr. Gore could have known that some of the proceeds from his fund-raising would be funneled into direct re-election efforts — which could be illegal, the officials said.

If Ms. Reno determines at the end of the three-month investigation that there is evidence that Mr. Gore misled investigators, she will be obligated under the independent counsel law to refer the case to an outside prosecutor.

Ms. Reno has reached this stage before in deliberating whether to seek an independent prosecutor to examine Mr. Gore's fund-raising. Some officials doubted that her decision to reopen the inquiry indicated that she would ultimately seek an independent prosecutor into campaign finance abuses — suggesting that the evidence against Mr. Gore is insubstantial.

Others said that Ms. Reno was unpredictable on such issues and could go forward with the appointment.

For more than 18 months, the attorney general has refused to request that an independent counsel look into campaign finance irregularities in the face of angry Republican denunciations that she has covered up for the White House and has shielded President Bill Clinton and Mr. Gore from possible prosecution.

Her decision on the 90-day preliminary inquiry was contained in a formal notification to the three-member panel of appellate judges who actually select independent counsels.

Nevertheless, Republicans attacked Ms. Reno for focusing on only one of the numerous allegations of wrongdoing and for setting up a timetable that will delay a decision until November, after congressional elections.

"An independent counsel is a must for the entire campaign fund-raising investigation," said Dan Burton, a Republican House member who represents Indiana and is chairman of the Government Reform and Oversight Committee. His panel voted this month to cite Ms. Reno with contempt for refusing to provide lawmakers with a memo from Charles La Bella, the former head of her campaign finance unit, recommending the appointment of an independent prosecutor.

To Democrats her action again raised the specter of yet another independent prosecutor who could be appointed to investigate an administration already battered by an inquiry by another independent counsel, Kenneth Starr, into Mr. Clinton's relationship with Monica Lewinsky, a former White House intern.

An independent prosecutor investigating even a seemingly narrow issue like the vice president's phone calls could lead to a wider examination of alleged campaign finance abuses. Such an inquiry could take years, exacting a political and legal toll in an embarrassing, costly and disruptive process that could distract the Democratic Party through the 2000 presidential campaign.

At issue is whether Mr. Gore knew that any of the 46 calls he made from the vice president's office raised money that in part was diverted to Democratic Party "hard money" accounts, which can be used to directly support candidates.

Jeff Siner/Agence France-Presse

Todd Long, a North Carolina firefighter, pulling a tree limb felled by the storm.

Hurricane Loses Its Punch

But North Carolina Faces Risk of Severe Floods

The Associated Press

WILMINGTON, North Carolina — The hurricane designated Bonnie was downgraded Thursday to a tropical storm as it poured a torrent of heavy rain on parts of eastern North Carolina, threatening severe flooding as it moved slowly across the state's coastal plain.

Since coming ashore Wednesday with winds of 115 miles (185 kilometers) per hour, the hurricane slowed to a crawl and gradually lost strength. Thursday morning, its sustained wind was down to 65 mph, dropping below the minimum hurricane strength of 74 mph.

There were no reports of widespread damage, injuries or deaths, though nearly a half a million people had been ordered to evacuate in North and South Carolina. Nearly 400,000 customers lost power in the two states. Tornadoes in Beaufort and Tyrell counties caused only scattered damage.

> 'Why us? Why not us? We're better at it than anyone else.'

"We could not be more relieved this morning," Richard Moore, North Carolina's secretary of crime control and public safety, said at a briefing Thursday.

But there was a possibility the storm could drop up to 16 inches (40 centimeters) of rain, forecasters said.

Heavy rain fell Thursday morning in New Bern and Morehead City, but the rain had trailed off to a drizzle at Wilmington, near the spot where the hurricane roared ashore. Wilmington had collected 9 inches and Jacksonville had 10.4. Weather reporting equipment in some other towns along the storm's path had been knocked out by the wind.

"I was thinking, why us?" said Dr. William Salling, a Wrightsville Beach dentist, as he removed plywood covering his living room windows Thursday. "Why not us? We're better at it than anyone else."

While severe flooding was still only a threat, the Neuse River was already out of its banks Thursday at New Bern, near the central North Carolina coast. Many streets were impassable and 770 people were in shelters, said Woody Maness, Craven County's assistant director of emergency services.

The hurricane's eye, the calm at the storm's center, came ashore at Cape Fear at 2 P.M. Wednesday. Initial reports from Wrightsville Beach, east of Wilmington, showed only slight damage — at least compared with that of two years ago when the area was hit by hurricanes designated Bertha and Fran, one after the other.

But the fire department chief, Everett Ward, said some homes and businesses had water 18 inches deep.

"This storm was a breeze compared to Fran," said Johnny French, a construction worker. "It's probably half what the other one was, not even close."

That hurricane plowed through the middle of the state in September 1996 with 115 mph winds, causing $5.2 billion in damage and 24 deaths.

The other 1996 hurricane, in July, also had 115 mph winds, causing nine deaths and an estimated $250 million damage.

South Carolina got a glancing blow Thursday from the storm's edge and had scattered roof damage. Governor David Beasley lifted an evacuation order for coastal Horry County.

In North Carolina, the police chief in Wrightsville Beach, Joe Noble, said about a dozen people were cited for violating a 24-hour curfew, including one man who posed as a federal disaster official and led a group of reporters on a tour of the flooded island.

An insurance salesman, Jay Lowe of Irving, Texas, tried to stick it out and videotape the storm. By Wednesday afternoon, he gave up and drove to Norfolk, Virginia, for a night's sleep before heading home.

"I stayed there as long as I could, but it never would do much but stall," Mr. Lowe said. "I thought it was a great storm, as storms go. I'd loved to have had a better defined eye and whatnot. But at the same time, it gave me a good ride."

Elsewhere, a hurricane designated Danielle was over the Atlantic, about 300 miles northeast of the northern Leeward Islands. It was moving toward the west-northwest at 18 mph with winds of about 90 mph and was expected to strengthen.

Forecasters said it was too early to tell whether this hurricane would threaten the U.S. mainland.

POLITICAL NOTES

Clinton Critic Decries 'Character Assassination'

WASHINGTON — Representative Paul McHale of Pennsylvania, the only Democrat on Capitol Hill to call for President Bill Clinton to resign, said it was "reprehensible" for a presidential ally to have leaked false charges about Mr. McHale's military decorations.

"A defense of the president ought not involve character assassination," he said.

The controversy surfaced Monday when NBC's Geraldo Rivera said he "just got a call from my source very close to President Clinton, who reminded me that there was a controversy in terms of the medals [Mr. McHale] won in the armed forces of the United States. He was indeed a, what was it, a Bronze Star winner, but maybe he claimed to something even more honorable than that."

The problem: Mr. McHale does not have a Bronze Star and never claimed to have been awarded one, or any higher military honor.

Mr. McHale said a White House official called him late Wednesday to say that "the president apologized for the attack on my character" and "the president would never have approved this kind of attack." Mr. McHale said he accepted the apology. Mr. Rivera has also apologized. *(WP)*

The Lewinsky Issue Arises In California Senate Race

LOS ANGELES — With a new poll showing their contest a virtual dead heat, Senator Barbara Boxer and state Treasurer Matt Fong traded jabs over abortion, the death penalty and President Bill Clinton's relationship with Monica Lewinsky.

Mr. Fong, a Republican, repeatedly sought Wednesday to paint Ms. Boxer, the Democratic incumbent, as a hypocrite for having been relatively circumspect in her initial comments about accusations that Mr. Clinton was involved with the former White House intern, while having strongly criticized Republicans like former Senator Bob Packwood and Justice Clarence Thomas over allegations of sexual harassment.

"Barbara, your silence on this issue is deafening," Mr. Fong declared at the beginning of the first face-to-face encounter of their campaign, an hourlong debate at a television station here in which the first three questions from a panel of journalists involved the Lewinsky matter.

It was the most pointed exchange so far in a race that national political analysts are watching for signs of potential fallout from the president's admission of the relationship last week.

But Ms. Boxer, whose daughter, Nicole, is married to Hillary Rodham Clinton's brother Tony, sought to blunt the attack, saying: "What the president did was wrong," and adding, "He should have stepped forward sooner and taken responsibility." *(NYT)*

Away From Politics

• **Despite complaints from animal rights activists,** General Mills will go ahead with distribution of Wheaties cereal boxes featuring the champion fisherman Denny Brauer. The group People for the Ethical Treatment of Animals had demanded that it pull the boxes, arguing that fishing is cruel and requires no great physical skill. *(AP)*

• **A facility that reforms hard-case juveniles** through boot camp-style training lost its license in Phoenix, Arizona, after a state investigation found that workers contributed to the death of a California teenager who was forced to do exercises while suffering from a lung infection. *(AP)*

• **A homeless cancer patient was charged** in Los Angeles with attempted murder after allegedly mailing deadly cyanide to a nurse and social worker. She was arrested while pouring poison into envelopes and carrying a "hit list" with 100 names. *(Reuters)*

• **A killer set free after 23 years in prison** in part because of his claims of valor in Vietnam was arrested after Massachusetts officials learned that he had spent his war years at a desk job. Joseph Yandle had been released by the governor at the time, William Weld, after he told reporters that his crime was fueled by an addiction to heroin brought on by a tour of duty on the battlefield. *(AP)*

• **A 43-year-old man was executed** by injection in Huntsville, Texas, for the murder of a man who stumbled into a 1988 kidnap plot that also left a woman and her 3-year-old son dead. *(AP)*

New U.S. Rocket Fails First Flight

New York Times Service

CAPE CANAVERAL, Florida — An unmanned new rocket carrying an advanced communications satellite exploded here less than 90 seconds after liftoff.

The cause of the accident was not immediately explained.

The launching, at 9:17 P.M. Wednesday, was the maiden flight for a new version of the Delta rocket, redesigned by Boeing Co. to carry twice the payload of the old version.

The accident came only two weeks after a government spy satellite exploded here shortly after takeoff, dealing a blow to the nation's space reconnaissance.

The Delta family of rockets has been in use for decades. The new type, Delta III, was designed to carry a payload of about 8,400 pounds (3,820 kilograms.)

The payload was a Galaxy X communications satellite built by the Hughes Electronics unit of the General Motors Corp.

The satellite had been built for use by the PanAmSat Corp., based in Greenwich, Connecticut, which intended to sell time on the satellite to cable television and telecommunications companies.

A similar satellite, Galaxy IV failed in the spring, cutting pager links to many of the millions of paging customers throughout the United States. The Galaxy X was not designed as a direct replacement for the Galaxy IV.

Hughes and Boeing declined immediate comment about the latest failure.

Daniel Marcus, a spokesman for PanAmSat, said that the satellite was fully insured and that the company planned to proceed in three weeks with a launching in French Guyana by the European space agency.

PanAmSat executives said the cost of building, launching and insuring the rocket and communication satellite was $200 million to $250 million.

Northwest's Hub Cities Would Take Heaviest Blow From a Strike

By Laurence Zuckerman
New York Times Service

NEW YORK — If the pilots at Northwest Airlines go on strike this weekend, it will be the first time a major airline has been shut down in the age of so-called fortress hubs — the big metropolitan airports that are dominated by a single carrier.

In the last five years, the major domestic carriers have largely retreated from direct competition with one another, focusing instead on routing passengers through a handful of hub airports that they all but control.

Continental Airlines dominates Houston and Cleveland while Delta Air Lines dominates Atlanta and Cincinnati and United Airlines dominates Denver. But no major carrier has a tighter stranglehold on its hub airports than Northwest.

In Detroit, Minneapolis and Memphis, Northwest controls 75 to 82 percent of all airplane seats, according to a study by Lehman Brothers Inc. released this year. That dominance makes Northwest's role so crucial to the regions it serves that the prospect of a strike, to many state and local officials, is practically unthinkable.

"Obviously," said Alfred Kahn, the Carter administration official who presided over the airline industry's deregulation in 1978, "the more and more communities become dependent exclusively on a single provider, the more the public interest cannot become indifferent to a strike."

This raises the question of whether the government would permit a lengthy airline strike, or any strike at all.

Both Northwest executives and the Air Line Pilots Association say they hope no one has to find out. Indeed, the chances of a strike seemed to fade slightly Wednesday as one person who was briefed on the negotiations said the two sides had made significant progress, with the key issue of pay unresolved.

But Northwest announced Wednesday that it was canceling 400 flights Friday and Saturday in preparation for a strike if a settlement was not reached by 12:01 A.M. Saturday, the deadline set by the pilots.

Last year, President Bill Clinton stepped in minutes after 9,300 pilots at American Airlines walked out, invoking his authority under the 1926 Railway Labor Act to force the pilots back to work for 60 days while a presidential emergency board tried to broker a settlement.

This was the first time that a president had halted an airline strike since 1966. Many people believe that it will be difficult for Mr. Clinton not to intervene if Northwest stops flying because the economic repercussions, particularly for the upper Midwest, would be as bad or worse than those faced when American went on strike.

So far, the White House is being coy about its plans in an attempt to force both sides to settle. Administration officials have even told Northwest executives not to count on intervention.

But if the pilots do strike, Mr. Clinton may be forced to act. Although Northwest, which is the country's fourth-largest airline, is much smaller than American Airlines, the No. 2 airline, it has a tighter grip on its hubs.

هكذا من الأصل

INTERNATIONAL

Kabila's Forces and Rebels Battle Near Kinshasa Airport

Reuters

KINSHASA, Congo — Forces loyal to President Laurent Kabila fought rebels Thursday on the edge of the Democratic Republic of the Congo's capital, engaging pockets of resistance not far from the airport, witnesses said.

Heavy-weapons fire could be heard during the afternoon.

But as on Wednesday, when the sound of artillery barrages echoed over the city for much of the day, witnesses reported no sign of rebel activity at the international airport itself.

After a night of relative calm, Interior Minister Gaetan Kakudji said he expected the military situation to become clearer during the day.

Regarding rebels that were still fighting, he said, "There are still some small pockets."

Later, Mr. Kakudji said that there was fighting up to eight kilometers (five miles) away from the airport, in the direction of the city. As he spoke, the firing of mortar and automatic weapons could be heard beyond the airport, which is 25 kilometers from the city center.

Mr. Kakudji said that the fact that the area was populated explained the delay in overcoming isolated groups of rebels.

"Our armed forces are progressing with much caution, which means that the operation is lasting longer than first thought," he said.

"It won't last too long," he said, adding that rebels were firing on loyalist forces and had heavy weapons.

Residents of the sprawling eastern suburb of Masina reported skirmishing there, with government forces and civilians combining to flush out the rebels.

One civilian said by telephone that government forces had been deployed in large numbers in the suburb. Firing could be heard in the background as he spoke.

"The local population is very much against them," he said of the rebels, adding that there appeared to have been fresh infiltrations after dawn.

Mr. Kakudji also said the rebels appeared to have been trying to reinforce.

The Masina resident reported that up to 10 rebels had been beaten to death by the local population.

Witnesses and state radio reported lynchings of suspected rebels and also said that several had been beaten or burned to death in different parts of the city of more than five million people.

Kinshasa's streets were emptier than usual, with a heavy military deployment across the city, numerous checkpoints and rigorous searches of vehicles and their occupants.

Security was particularly tight near Mr. Kabila's residence, the Marble Palace, in Binza in the southwest of the city.

Mr. Kabila, who had accused Rwanda and Uganda of invading in support of rebels who took up arms against him on Aug. 2, returned to the city Tuesday after spending just over a week in his southern home province, Katanga.

State radio began its regular daily news bulletins as usual at 6 A.M. as the city emerged from its first night of a curfew. Rebels holding a dam at Inga, in western Congo, have cut off power to the city.

The curfew, which starts at 6 P.M., was to continue until further notice.

Congolese and Zimbabwean forces earlier blocked a rebel advance on the road approaching Kinshasa from the southwest.

Angolan troops entered the conflict over the weekend and captured the rebels' rear base in Kitona, at the tip of the Congo River corridor that links Kinshasa to the sea. The Angolans forces then began advancing on the rebels from the rear. They have also recaptured the naval base at Banana, the oil town of Muanda and the smaller port of Boma.

■ 207 Massacred, Vatican Reports

The Vatican's missionary service said Thursday that the death toll in a weekend massacre in eastern Congo had risen to 207 and could go higher, The Associated Press reported from Vatican City.

The Vatican service initially reported 37 dead in the attack on a Roman Catholic mission crowded with refugees. The attackers were identified as ethnic Tutsi.

On Thursday, the Vatican service, Fides, and an Italian missionary news service, Misna, issued the revised toll and said more bodies may be found in the bush.

Father Albanese, a Misna spokesman, said the killers first attacked a local chief, Mwami Mubeza, and his family, then went to the mission, where a Mass had just finished. Some of the victims were decapitated, he said.

A total of 37 people died in the church, including a priest, three nuns and a seminary student. Then the attackers continued their rampage in surrounding villages and hamlets, Father Albanese said, citing missionaries in the region.

Tel Aviv Bomb Injures 20, Rattling City After Respite

Device Filled With Nails Explodes in Trash Can

By Lee Hockstader
Washington Post Service

TEL AVIV — A small bomb packed with nails and hidden in a trash can exploded in the commercial heart of Tel Aviv on Thursday, injuring more than 20 people and rattling a city that had suffered no such incident in 18 months.

Israeli police immediately called the bomb a terrorist attack and said Palestinian militants were responsible for the 8:40 A.M. blast, which blew out windows in shops and apartments on a busy street near the Great Synagogue.

The Islamic group Hamas, which has taken responsibility for attacks on Israelis in the past, denied any involvement, and the police said they had no suspects.

One woman was seriously injured in the explosion, but the other injuries were described as relatively minor.

Nonetheless, there was a nervous reaction because it was the first such attack in the city since a suicide bomber killed himself and three women in a café.

Many said they assumed the explosion was connected to the recent U.S. missile strikes in Afghanistan and Sudan, which prompted Islamic calls for revenge against the United States and Israel.

"Where are we going to go if we don't stay here?" demanded Yosef Haglili, a bearded Israeli who owns a barber shop around the corner from the bomb site. "The Arabs say they want peace, but this is their idea of peace. The Arabs understand only one thing." He shook his fist to indicate violence.

Mr. Haglili said pockmarks in the facade of the building above the site where the bomb exploded were scars from the months of fighting between Arabs and Jews in 1948.

Shopkeepers in the vicinity of the explosion — a pleasant area of book shops, cafes, fast-food stands and appliance stores — said it was simply chance that casualties were not more serious.

Some stores had not yet opened for business when the bomb detonated. A bus had let off its passengers a minute or two earlier and they had dispersed before the blast.

"It's lucky that at that hour there aren't that many people on Allenby Street," said Avraham Bukai, who was helping his son run a hot dog stand across the street. "It gets a lot busier later in the day."

Prime Minister Benjamin Netanyahu repeated his call that the Palestinian Authority headed by Yasser Arafat do more to fight terror.

He said the bomb Thursday was proof that Israelis were at risk in Israel proper — and not only in the occupied territories where three Jewish settlers have been killed in the past month.

The Israeli government spokesman, David Bar-Ilan, said that without a better security environment the peace process "cannot continue."

■ New Jerusalem Homes for Jews

Israeli authorities have given final approval for the construction of a 132-apartment housing project for Jews in the heart of a Palestinian neighborhood in East Jerusalem, Agence France-Presse reported, citing official sources.

Palestinian officials immediately denounced the move as new proof that the rightist government was more interested in strengthening its hold on occupied land than in breaking the long deadlock in peace efforts.

The municipality approved construction in the Ras al Amud area after initial approval for the project several months ago by the Israeli Interior Ministry.

"The municipality acted according to the law by giving permission for building plans that had already been approved by the Interior Ministry," Mayor Ehud Olmert said.

SUDAN PROTEST — Pupils in Khartoum taking part in a demonstration at the factory site hit by a U.S. missile.

SUSPECTS: *2 Are Flown to U.S.*

Continued from Page 1

others "deliberately and with malice aforethought" carried out the fatal bombing.

The complaint alleges the scheme began in March and that on the day of the explosion, Mr. Owhali threw a "small, grenade-like device" toward a guard outside the embassy in Nairobi.

Prosecutors said that the defendant was contacted in Nairobi by Kenyan officials. At the time, he appeared to have suffered lacerations and abrasions about the hands and face as well as a large wound on his back.

He was arrested and subjected to intensive questioning.

The complaint says that he had been trained in explosives at a number of Afghan sites, including some affiliated with the facility set up by Osama bin Laden, a renegade Saudi millionaire.

The United States fired cruise missiles at what it called "terrorist" training camps in Afghanistan and a pharmaceutical plant in the Sudanese capital of Khartoum in retaliation for the bombings it blamed on Mr. bin Laden.

The defendant allegedly said he was aware of a statement by the International Islamic Front signed by Mr. bin Laden and others saying that it was proper to kill Americans worldwide.

The complaint alleges he confessed that while being treated at a local hospital he threw away two keys that fit the padlock on the rear of the bomb-laden vehicle, and also discarded three bullets for a gun that he had left behind in the vehicle.

Mr. Odeh was arrested in Pakistan on the day of the embassy blast, after he had arrived in Karachi traveling with a forged passport.

He was interrogated and then deported to Kenya.

The FBI director, Louis Freeh, praised the cooperative efforts of law enforcement counterparts in Kenya and Tanzania, saying that while "all three countries share grave losses, the suffering of Kenya and Tanzania have been enormous."

Secretary of State Madeleine Albright added that, "We will not be intimidated by terror" and that "we are determined that sooner or later, one way or other, terrorists will be held accountable for their crimes."

During a brief court hearing on Thursday afternoon, Magistrate Judge Sharon Grubin ordered that Mr. Owhali be detained pending a Sept. 28 court appearance.

He listened over earphones to an Arabic interpreter, nodded his head and said "yes" to several perfunctory questions from the judge, who read him his rights.

Mr. Owhali had been identified as having come from Yemen but officials in that country on the Arabian Peninsula denied it.

Mr. Odeh was arrested on the day of the bombing in Karachi, Pakistan, and had been held by Kenyan authorities since Aug. 14.

Mr. Odeh is said to be either a Jordanian or Palestinian in origin, who lived in Kenya and obtained Kenyan citizenship in 1994.

The complaint unsealed Thursday dealt with Mr. Owhali, and details of what charges Mr. Odeh would face were not disclosed. *(Reuters, AP)*

FBI Agents Begin Sifting Cape Town Evidence

Agence France-Presse

CAPE TOWN — Four FBI agents arrived in Cape Town on Thursday and joined South African police in sifting through the debris of the bombing of the Planet Hollywood restaurant amid claims that Islamic extremists were behind the blast.

Two FBI bomb-disposal experts arrived late Wednesday from Nairobi, where they had been investigating the bombings on Aug. 7 of the U.S. embassies in the Kenyan capital and in Dar es Salaam, Tanzania.

They were joined at Planet Hollywood Thursday by two other Federal Bureau of Investigation agents — one who flew in specially to assist, the other a permanent FBI representative in South Africa.

The FBI was asked by the South African government to add its expertise to the investigation into the blast, which ripped through the restaurant Tuesday night, killing one man and injuring 27 people.

Safety and Security Minister Sydney Mufamadi arrived at Planet Hollywood soon after the agents began their work and held brief talks with them.

Mr. Mufamadi said this week that police believed there could be a link between the Planet Hollywood blast and the east African embassy bombings.

Meanwhile, the Afrikaans-language newspaper Die Burger, quoting "reliable sources," said Thursday that those behind the blast were Cape Town-based Muslim Shiites with links to international terrorist organizations.

The bombing was carried out in retaliation for last week's U.S. strikes on Sudan and Afghanistan, the newspaper said.

It said the extremists had links with Qibla, a militant Islamic group whose members also form the armed wing of a Muslim-led anti-crime group in Cape Town. The group has denied involvement and on Wednesday issued a statement condemning the Planet Hollywood blast.

U.S. View on Sudan Plant's 'Nerve Gas' Challenged

By Steven Lee Myers
and Tim Weiner
New York Times Service

WASHINGTON — The chemical that the United States cited to justify its missile attack on a Sudanese pharmaceutical plant last week could be used for commercial products, according to an agency overseeing the treaty barring chemical weapons.

The United States has insisted that the chemical found in soil at the plant could only mean that the plant was intended to make the nerve agent VX.

Sudan contends that the plant made medicines and veterinary products.

The international treaty group, the Organization for the Prohibition of Chemical Weapons, conceded that it was not aware of any commercial product on the market that contained the chemical, nor of another chemical compound made with it. But its spokesman, Donato Kinigier-Passigli, said in a telephone interview Wednesday that a search of scientific papers showed the chemical, known as Empta, could be used "in limited quantities for legitimate commercial purposes."

The uses, he said, included fungicides and anti-microbial agents, and not just the production of VX.

A Pentagon official said that the treaty organization had simply uncovered academic examples of possible use with no real evidence that any commercial products have ever been made from Empta. "Just because you identify a chemical agent for commercial uses, that does not mean anyone makes it," the official said.

In the chemical industry, experts said they were not aware of any commercial uses for Empta nor could they foresee any practical uses based on what is known about the chemical.

Aldrich Chemical Co. in Milwaukee makes the chemical and sells it at $45 a gram to laboratories for research.

But a spokesman said the company was not aware of any use of the chemical in commercial products.

The Clinton administration leveled the Shifa Pharmaceutical Industries Co. plant in Khartoum with low-flying cruise missiles last Thursday, saying it had evidence linking the plant to the manufacturing of VX and to a shadowy network of terrorists.

Facing questions about the decision to attack the plant, senior officials said Monday that a soil sample collected nearby provided irrefutable evidence of the presence of VX at the plant.

Mr. Kinigier-Passigli emphasized the treaty-oversight organization had come to no conclusions about the U.S. charges or the Sudan's counter-charges.

The independent organization administers the chemical weapons treaty, signed by more than 160 nations and ratified by the United States last year.

Still, the organization's disclosure raised questions about the administration's categorical assertions that there could be no other possible explanation for the presence of Empta, or ethyl methylphosphonothionate. The disclosure Wednesday added to a number of inconsistencies in the administration's accusations, including statements by a senior intelligence official hours after the bombing that the plant in Khartoum was heavily guarded and produced no commercial products.

Administration officials declined on Wednesday to discuss the evidence or the caveats raised by the Organization for the Prohibition of Chemical Weapons.

However, Defense Department and intelligence officials, speaking on condition of anonymity, said they still believed there could be no other explanation for the presence of Empta in a soil sample secretly collected outside the facility several months ago.

On Wednesday, several American experts in chemical warfare and analysis offered another possible explanation. They said the chemical's structure resembled that of an insecticide known as Fonofos, which is available in Africa.

While the two are not identical, they have molecular similarities and could be confused in a lab test performed under less-than-ideal conditions, said Hank Ellison, a counterterrorism expert who ran the U.S. Army's chemical and biological warfare programs at Fort Campbell, Kentucky, in the 1980s.

INSPECTOR: *Official Quits, Saying U.S. and UN Stymied Efforts to Find Iraq Weapons*

Continued from Page 1

quoted Mr. Ritter as saying Thursday. "The special commission will be compelled to close files prematurely and the result will be that Iraq will be allowed to maintain the weapons of mass destruction which they were called upon to get rid of by the Security Council."]

The administration has publicly backed the inspectors, who have insisted on full and unfettered access to sites in Iraq suspected of being used to conceal weapons or the expertise needed to make them.

Twice in the last year the United States has threatened military action against Iraq for obstructing the inspections, and in February, U.S. warships were moved within striking distance.

But last week, U.S. officials acknowledged that the United States and Britain had privately urged Mr. Butler to stop trying to conduct surprise inspections of sites in Baghdad. The officials said they wanted to avoid an open confrontation with Iraq after Mr. Saddam said he would no longer cooperate.

"The illusion of arms control is more dangerous than no arms control at all," Mr. Ritter wrote. "What is being propagated by the Security Council today is such an illusion, one which in all good faith I cannot, and will not, be a party to."

Mr. Ritter, a former Marine intelligence officer, joined the commission in September 1991, soon after its creation, and was assigned to help the inspectors ferret out whether Iraq was hiding material relating to its programs to build weapons of mass destruction.

The Iraqis moved to block many of the inspections led by him and accused Mr. Ritter of being a U.S. intelligence officer, a charge Washington denied.

Mr. Ritter said that the "beginning of a slow death" for the inspection team began in earnest last October after Iraq blocked inspectors and provoked a crisis that led Clinton administration officials to predict that military action would be necessary if Iraq did not back down.

Mr. Ritter said administration officials told the inspectors then that "there was not enough military power in the region" to provoke a confrontation.

The administration repeated its assessment in late November, he said, warning the inspectors again not to conduct more inspections aimed at revealing how Iraq was concealing the information.

In addition, Mr. Ritter said, administration officials told the inspectors that military action over the Christmas holidays would be politically unpopular.

Mr. Ritter declined to discuss which administration officials gave him and the other inspectors this advice.

Seeking to defuse the crisis in February, Mr. Annan and Mr. Saddam signed an agreement establishing new rules for the inspections. Mr. Ritter said that while he and other inspection officials were deeply worried about the impact of the agreement, he decided not to resign at that time, but rather to test Iraq's willingness to comply.

He was encouraged, he added, by the fact that the Security Council warned Iraq of "severest consequences" if it blocked the inspectors — language that suggested that the United States might carry out military strikes if Baghdad reneged on its word.

Mr. Ritter, in fact, returned to lead a controversial inspection in early March.

But in June, Mr. Ritter said, the Clinton administration decided that it would no longer support intrusive inspections solely for the purpose of gaining access to sensitive sites.

In meetings at the State Department and the Pentagon, he said, he sensed a lack of support for what he called "concealment inspections," and felt that such inspections were becoming a "political liability" in the administration's view.

In July, the inspectors received what Mr. Ritter called "two of the best pieces of intelligence information we've had in a long time" about Iraqi weapons activities. Mr. Ritter declined to disclose the nature of the information. But he said he advised Mr. Butler, the chairman of the inspection team, that the time had come to act, and that Mr. Butler had agreed.

While Mr. Ritter refused to discuss the nature or target of the inspections that he said the administration helped stop, he said they were aimed at one of Saddam Hussein's principal secretaries, Abed Hamid Mahmud, who Mr. Ritter said is responsible for orchestrating Iraq's effort to conceal information and material, and at the Special Security Organization, which carries out those orders.

Mr. Ritter said he had gone to London to ask the British government to supply personnel and material for the inspection. He said Derek Plumbly, the director of the British Foreign Office's Middle East command, was enthusiastic about the inspection and agreed.

But later, after consultations with Washington, Mr. Ritter added, Mr. Plumbly changed his mind.

Mr. Ritter would not identify the administration officials who he says put pressure on London. On Wednesday night, the administration heatedly denied that any such pressure had been exerted and repeated a denial earlier this month that it had softened its policy.

The administration, a spokesman for the National Security Council said, "regrets Ritter's resignation and has the highest regard for Ritter and his work." But he added, "Any suggestion that senior administration officials had conversations with the Brits about canceling inspections is a total fabrication."

BRIEFLY

Baghdad Is Asked Of Reporter's Fate

PARIS — The World Association of Newspapers on Thursday called on the Iraqi government to say what happened to an Iraqi journalist who was arrested last month after writing articles about corruption.

Dawoud Farhan, who wrote for Iraqi newspapers and for the Middle East News Agency of Cairo, was taken from his office at the Information Ministry in July, Egyptian editors and Iraqi dissidents have said.

Mr. Farhan was deputy chairman of the Iraqi Journalists Union. The chairman is Odai Hussein, the son of President Saddam Hussein.

Editors at the news agency in Cairo said they did not believe that Mr. Farhan's arrest was related to his work with the agency. *(AP)*

British Diplomats Will Leave Sudan

LONDON — The government ordered the temporary withdrawal of its diplomats from Sudan on Thursday in response to a decision by Sudan three days ago to recall its ambassador from London.

Sudan recalled its senior diplomatic staff from London to protest British support for the U.S. attack last week on a pharmaceuticals factory in Khartoum.

The Foreign Office said that some of the British Embassy staff would be moved from Khartoum to Nairobi, and that British-sponsored aid work would not be affected.

On Saturday in Khartoum, an angry crowd reacting to the American missile attack threw stones at the British Embassy and tore down its flag. *(AFP)*

Belizean Elections Draw Big Turnout

BELIZE CITY — Voters turned out in large numbers on Thursday in a national election dominated by charges of graft and onerous taxes.

With voters choosing a prime minister and a new Parliament, officials expected a turnout of around 70 percent of the country's 90,000 registered voters.

Thursday's election was the fourth since Belize, formerly British Honduras, won its independence in 1981. The country has a total population of about 200,000.

The two contending political parties are both considered centrist. *(Reuters)*

For the Record

President Carlos Menem of Argentina has authorized the extradition to Croatia of Esperanza Sakic, the wife of a former concentration camp commander, on charges that she committed atrocities, legal officials said on Wednesday. *(Reuters)*

ASIA/PACIFIC

Aid Efforts Lift China Army's Image

By Michael Laris
Washington Post Service

BEIJING — With a propaganda campaign worthy of the Maoist era, the People's Liberation Army is using the worst Chinese floods in 44 years to try to improve the military's battered image.

The state-run media have blanketed China with disaster coverage focusing on strenuous efforts by soldiers wearing fatigues and bright-orange life preservers.

Troops are frequently shown shoveling dirt and saving children in the floods, which the government said Thursday had killed more than 3,000 people.

Soldiers are videotaped using their bodies as human sandbags when earthen dikes burst. They work until their fingernails literally lift off their fingers, the radio reported, and they even cope with poisonous water snakes.

In a media briefing Tuesday with top flood-control officials, General Ma Shukuan said the 276,000 soldiers battling the floods "have displayed a revolutionary spirit of fearing neither hardship nor death."

"They fight where it is most difficult, and they rush to where it is most dangerous," he added.

The army has been trying to reclaim the moral high ground for years. Its reputation was severely damaged after troops opened fire on pro-democracy demonstrators near Tiananmen Square on June 4, 1989, killing hundreds.

Earlier this year, President Jiang Zemin charged that the military was deeply involved in smuggling.

In a brief interview after his public statement, General Ma acknowledged that the military has been criticized for its actions in 1989 but denied that the army was using the floods as a backdrop for a public relations campaign.

"There are some people who do indeed have views about June 4," said General Ma, director of community and government affairs for the General Political Department. "But they don't represent all the nation's people. It's not that we are putting up appearances this time because people have objections about that time. That's wrong."

Nevertheless, the army's visibility in fighting the floods has been striking. The television news Tuesday opened with an item about a soldier who died fighting the floods, one of more than 20 soldiers killed.

In many quarters, appreciation of the army is heartfelt. "On TV, I saw the hardships facing the People's Liberation Army," said Suo Xiaoli, 24, a real estate clerk.

The people's survival "really depends on the military now," said a liberal activist in Beijing.

The quarter-million soldiers, and more than 5 million militiamen and reservists, have made an impact. They flew 10,000 life vests into one of the worst-hit areas in central China and moved 4.2 million people to safety nationwide, officials said.

But they are only part of the massive nationwide effort to fight the floods, which have affected more than 200 million people. The problems facing China — and the efforts to solve them — are much bigger than the Great Wall of steel, as the army is being called.

In Heilongjiang Province in the northeast, 4,830 villages have been flooded, a quarter of all crops have been destroyed and more than 750,000 homes have collapsed, according to the deputy governor, Ma Shujie.

Winter arrives in the area in just over a month.

"Our promise is that we will ensure that no one will be frozen to death," Miss Ma said. She added that the province is trying to rebuild some houses in time but that reinforced tents and "half-underground houses" also will be used.

Throughout the country, fear of epidemics is rising as the water levels in some regions begin to fall.

"The most difficult time for epidemic prevention — after the floods — has yet to come," said Yin Dakui, deputy minister of health. "It will occur when the water recedes and people come home."

Wen Jiabao, a deputy prime minister, said that 21 million hectares (52 million acres) of farmland had been flooded and that economic losses had reached 166.6 billion yuan ($20 billion).

Independent economists estimated that the floods could cost China as much as $36 billion.

Mufti Munir/Agence France-Presse

A woman wading home in a suburb of Dhaka, half of which is flooded.

Flooding in Bangladesh Leaves Millions Homeless

Leader Cancels Trip as Death Toll Nears 400

Reuters

DHAKA, Bangladesh — Prime Minister Sheikh Hasina Wazed called off a visit to South Africa on Thursday as floods overwhelmed her country, pushing the death toll close to 400.

Millions of people are homeless, including a quarter of the residents of the capital Dhaka, and diseases like diarrhea are rife in what many Bangladeshis now regard as the worst floods in a decade.

Sheikh Hasina dropped plans to attend a Nonaligned Movement summit meeting Sunday in Durban, South Africa, the foreign minister said Thursday.

"She has decided to stay back to supervise relief and rescue operations," Abdus Samad Azad told reporters.

Bangladeshi rivers, some of the world's biggest, have become torrents and have submerged half of Dhaka, a city of 9 million people, a quarter of whom are jammed into shelters where food and drinking water are in short supply, officials said.

Fresh rain Thursday hampered relief operations in and outside the capital, which is becoming increasingly congested as flood refugees stream in from the countryside, the police said.

A boy and his parents died in Dhaka on Wednesday night after touching a live electrical wire under water. Dhaka power-supply authorities warned flood victims they could face similar danger.

"There is hardly any food dry or fresh," said Mohammed Mujibur, a Dhaka resident, as he walked in waist-high water on a flooded street, looking for a shelter.

His family has been twice made homeless by the floods. "It's an unending misery, and hopes are fading," he said.

Of the nearly 400 dead in the monsoon floods, about 70 people suffered from diarrhea after drinking floodwater or eating rotten food, disaster management officials said. Many have drowned or been killed by snakes that have crowded on to higher land.

A local newspaper, Sangbad, put the toll at more than 530.

Thousands of people are falling sick daily, mostly from diarrhea, and converging on city hospitals, witnesses said. More than 800 people a day are reporting to a Dhaka hospital that specializes in treating diarrhea, doctors said.

Floods have pummeled the impoverished, mainly rural South Asian country for more than six weeks.

■ 10 Die in Flood in Rural Japan

A tropical storm off the coast of Japan dumped record rainfall Thursday in rural areas north of Tokyo, causing floods and mudslides that killed at least 10 people and left four missing, The Associated Press reported from Tokyo.

Firing Squad Executes 30 Criminals in Chinese City

Reuters

SHENZHEN, China — Thirty criminals were put to death in a mass firing squad execution, local newspapers reported Thursday.

They were sentenced Wednesday morning and immediately taken away to be shot.

China is in the midst of a national campaign against crime called "Strike Hard."

The killings were the biggest mass execution in memory here. Shenzhen, a freewheeling, capitalist-influenced city just across the border from Hong Kong, is plagued by crime, drugs and prostitution.

Executions in this country are generally carried out by a single bullet to the base of the skull, although lethal injection is being introduced.

Western human rights groups have criticized China for the number of executions since the "Strike Hard" campaign began in April 1996.

China has executed more people in the 1990s than the rest of the world put together, Amnesty International said in London last year. The group said China executed 4,367 criminals during 1996.

One of the complaints of human rights groups is that the judicial appeals process in China is so quick.

The Shenzhen newspaper Special Zone Daily said 53 people were sentenced by the Intermediate People's Court in a mass court session here. Their crimes ranged from murder to robbery, theft and dealing in illegal firearms and ammunition.

Thirty-nine of the 53 were sentenced to death. Nine of those sentences were suspended.

An increase in crime in this country in recent years has been linked to unemployment, particularly in the northeastern industrial "rust belt," where many state factories have been closed, throwing millions out of work.

Criminal gangs from such economically depressed areas move freely around China, mixing with a vast army of migrant workers who move from city to city looking for work on construction sites.

Many in both groups come to this prosperous southern city.

In June, three unemployed drug addicts from the northeast were executed for the killing near Shenzhen of an American engineer.

BRIEFLY

Higher English Level Required For Many Australia Immigrants

SYDNEY — Australia announced Thursday tougher selection criteria, including a higher level of English, for about half of the immigrants it is expected to allow into the country from July 1, 1999.

Immigration Minister Philip Ruddock said that skilled and independent immigrants would be required to speak vocational-level English to gain entry from that date.

He also said these immigrants would need a skilled occupation with locally recognized qualifications, be under 45 years of age, and lodge a bond of 4,000 Australian dollars ($2,300) on application.

Ethnic leaders in Australia said the tougher requirements for migrants were a reaction to the anti-Asian immigration One Nation party led by Pauline Hanson. *(Reuters)*

Talks Proposed in Cambodia

PHNOM PENH — Cambodia's ruling party, which officially won last month's election, called Thursday for talks with its main rival and urged the opposition to give up its "belligerent" protest against the vote outcome.

The Cambodian People's Party also ruled out opposition calls for a caretaker government to oversee new elections.

The call for talks came as a sit-down protest outside Parliament against alleged fraud in the July 26 election entered its fourth day. *(Reuters)*

New Poisoning Scare in Japan

TOKYO — Japan was gripped by a new mass poisoning scare on Thursday after bottles of lethal disinfectant described as a diet drink were sent to a teacher and 23 students at a Tokyo high school.

Police said the only student who drank the liquid was in a hospital in serious condition with a badly burned throat and breathing difficulties. *(Reuters)*

For the Record

Singapore said a five-country military exercise had been called off because Malaysia had pulled out. Media reports said earlier that Malaysia had withdrawn from the exercises because of its economic crisis and its strained relations with Singapore over a series of spats. *(Reuters)*

BOOKS

FULL DRESS GRAY

By Lucian K. Truscott IV. 384 pages. $25. Morrow.

Reviewed by Maureen Corrigan

PERHAPS those beleaguered Modern Library judges would have come in for less criticism if, say, instead of choosing the 100 best English-language novels of the 20th century, they had aimed their aesthetic sights lower and assembled a list of the 100 best "kinda dumb but thoroughly engrossing" English-language novels of the same period.

Few culture guardians would have roused themselves to attack such a humble list, and the judges would certainly have had more fun reading, or rereading, James Michener's "Hawaii" than they did Thornton Wilder's "Bridge of San Luis Rey," which was kinda dumb and not at all engrossing.

This happy-go-lucky list might well have included Lucian K. Truscott 4th's best-selling 1978 thriller, "Dress Gray," along with its just-published sequel, "Full Dress Gray."

Like its predecessor, which was praised for its insider's view of West Point, "Full Dress Gray" takes readers deep into the bowels of the military academy, paying special attention to the dirty laundry room.

The ambivalence with which Truscott, himself a West Point grad, regards the place gives nuance both to the closed world of the cadets he so vividly evokes and to his lively suspense story. But, although he avoids sentimentality in his writing, Truscott wallows in the other vices that even the greatest Victorian novelists cultivated: melodrama, inflated language and coincidence, coincidence, coincidence.

"Full Dress Gray" is a book whose cliffhanger chapters should rightfully end with italicized phrases (and some do). In its most overheated moments, the novel resorts to the same feudal diction that Paul Fussell in "The Great War and Modern Memory" identified as emblematic of soldiers' writings during the early, idealistic years of World War I. Truscott words and phrases like "foe," "unvanquished," "to lay down my life" and "cowardly" are tossed around with, as one of Fussell's subjects might say, nary a trace of remorse.

Coincidence announces its flashy presence in the first chapter of the novel. The new superintendent of West Point, Ry Slaight, is reviewing the cadets on parade when a female cadet named Dorothy Hamner keels over and dies. It turns out that her death, at first ascribed to heat stroke, may be a case of homicide.

Wouldn't you know it? Thirty years ago, when Slaight was a cadet (and the rebellious hero of "Dress Gray"), he investigated the strange death of a fellow cadet who turned out to be the victim of a homosexual cover-up. Now, Slaight is the "supe," happily married to that murdered gay cadet's sister, and, on his first day on the job, he's got another death to investigate. And, his daughter, Jacey, is a cadet at West Point and was Hamner's company commander!

It's not that coincidence as a literary device is always a bad thing: The outlandish symmetries that undergird Dickens's novels, for instance, don't so much close off his worlds as open them up to life's marvelous possibilities.

Truscott, though, is writing a thriller, not a comedy, and his novel's overabundance of amazing-but-true occurrences jars with its otherwise realistic atmosphere.

Fortunately, "Full Dress Gray" is a novel whose stylistic faults are cast into shadow by the grandeur of the brooding, labyrinthine vision of the West Point it creates. With every step Slaight takes, the sense of place here intensifies. Slaight's West Point is as hermetically sealed as a medieval monastery.

A place this Gothic in atmosphere naturally attracts the minions of evil — in this case, a group of rogue cadets and officers hell-bent on expelling undesirables from the academy.

Slaight cannot deploy all his resources to rooting out these apostates, for he's simultaneously fending off another threat to West Point's integrity: Representative Chuck Thrunstone, an old mastodon serving on the House National Security Committee, has been lobbying for a bill that would close down or consolidate all the service academies.

Naturally, both the corrupt cadets and the wicked Thrunstone begin waving their sabers at Slaight's Achilles' heel: his daughter.

Jacey has been conducting her own investigations into Hamner's homicide and, in a truly harrowing scene, she's kidnapped and sexually assaulted while on guard duty. Jacey, however, is made of the right stuff. She recovers to take her place behind her father in time to witness sexism, pork-barrelism and homophobia defeated by West Point's progressive best and brightest.

In his address to the assembled cadets after their outlaw comrades have been exposed, Slaight proclaims: "I am merely a temporary custodian, pushing a broom behind the Long Gray Line. It's up to you cadets to keep West Point alive by making over your lives in its image."

This living image of West Point as a place in tension — where a masculine warrior tradition is clashing with the invading post-patriarchal hordes — remains long after characteristically hyperbolic speeches like this one fade from memory.

Maureen Corrigan, who teaches literature at Georgetown University and is the book critic for the National Public Radio program "Fresh Air," wrote this for The New York Times.

BRIDGE

By Alan Truscott

AT the American Contract Bridge League, tournament events for senior players have become very popular. They are primarily social, and the players do not have to put up with the occasional brusqueness of intense youngsters who think they are headed for stardom.

Dan and Natalie Hertz of Harrison, New York, are one of the most successful couples on the senior circuit. At a regional championship in Alexandria, Virgina, they won three titles: a senior knockout team, a senior swiss team and an open board-a-match team. The diagramed deal helped them in the swiss event.

Mrs. Hertz played in three spades after a weak jump overcall on her left. She did not consider bidding game.

NORTH
♠ K 10 2
♡ K Q 10
♢ J 10 9 5 4
♣ 3 2

WEST
♠ 9
♡ 8 6
♢ Q 8 7 6
♣ A J 10 9 7 6

EAST
♠ Q 8 6 3
♡ A 9 7 5 3
♢ K 2
♣ Q 5

SOUTH (D)
♠ A J 7 5 4
♡ J 4 2
♢ A 3
♣ K 8 4

North and South were vulnerable.
The bidding:

South	West	North	East
1 ♠	3 ♣	3 ♠	Pass
Pass	Pass		

West led the heart eight.

because the raise under pressure in this situation suggests a hand that would normally make a maximum raise to the two-level. A heart was led, and dummy's queen was captured by the ace.

East shifted to the club queen, which won. On the next club lead South played the king, and after taking the ace, West led the nine. To prevent an overruff, North ruffed with the spade king, East threw a heart. The spade ten was led for a winning finesse, pinning West's nine. Next South finessed the spade seven, reaching the position shown at left.

South could now see a road to nine tricks if she could shorten her trumps and wind up in the dummy. She cashed the diamond ace and exited with a diamond. East won and returned a heart, won with dummy's ten. A diamond was ruffed, and dummy was entered with a heart to the queen. East's queen-eight of trumps was trapped under the ace-jack in a coup position, and a contract was made that failed in the replay

NORTH
♠ —
♡ Q 10
♢ J 10 9 5 4
♣ —

WEST
♠ —
♡ 6
♢ Q 8 7 6
♣ 10 7

EAST
♠ Q 8
♡ 9 7 5
♢ K 2
♣ —

SOUTH
♠ A J 5
♡ J 4
♢ A 3
♣ —

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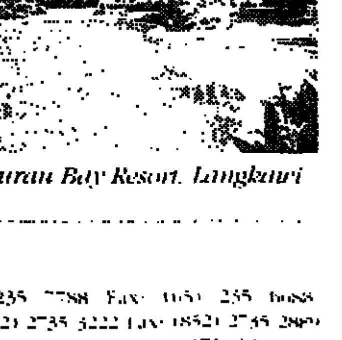

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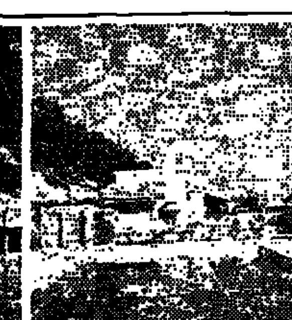

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EUROPE

Russia's Financial Barons Flex Their Muscles in Power Shift at Kremlin

By Michael Gordon
New York Times Service

MOSCOW — Boris Berezovsky, one of Russia's emerging tycoons, had waited months for this moment of triumph, quietly plotting to depose the earnest prime minister, Sergei Kiriyenko.

Last Saturday, Mr. Berezovsky went to the White House, the mammoth, Soviet-era government headquarters that looms over the Moscow River, and there, in a private meeting with Anatoli Chubais, one of the government's most passionate reformers, he told Mr. Chubais that the Kiriyenko team was finished. President Boris Yeltsin, Mr. Berezovsky declared, would soon sign a decree sacking the entire cabinet.

Mr. Chubais did not resist, people familiar with the weekend events said. He sensed it was a fait accompli and later told Kremlin aides that Mr. Berezovsky's aim in telegraphing the punch was to demonstrate clearly that the financial barons who dominate Russia's industry and banks were making a move to assert their power.

Mr. Kiriyenko had concluded that his days might be numbered. Wealthy businessmen, who had made a fortune buying and selling companies once controlled by the government, had bridled at his tough talk about collecting back taxes and allowing money-losing enterprises to go bankrupt.

On Sunday, the day after Mr. Berezovsky delivered the news, Mr. Yeltsin summoned the prime minister to his dacha near Moscow and told him that he was planning some unspecified personnel changes.

Confused, Mr. Kiriyenko left the meeting unsure when the ax might fall. Within hours, the official notice came. Mr. Kiriyenko was out. Viktor Chernomyrdin, the prime minister who was fired in the last shake-up, was back in.

The sudden demise of Mr. Kiriyenko's four-month-old government came partly from the deepening financial crisis and Mr. Yeltsin's penchant for sacrificing loyal subordinates. But it also was a demonstration of the power of Mr. Berezovsky and other tycoons, who exploited the crisis and Mr. Yeltsin's weakened position to install a more pliant government.

Now Mr. Berezovsky and his allies are playing the role of go-between in the formation of that government, helping Mr. Chernomyrdin negotiate with the Communists who dominate the lower house of Parliament.

The drama is still far from over. The burning issue now is not whether the Parliament will approve Mr. Chernomyrdin — that seems assured — but whether a physically ailing and politically besieged Mr. Yeltsin will cede to Mr. Chernomyrdin by eventually resigning and calling early elections.

That would enable Mr. Chernomyrdin to take the reins as the nation's acting chief executive and would give him an enormous advantage as a presidential candidate.

"This is a very big danger for the country," Boris Nemtsov, one of the Kiriyenko supporters who resigned his top Kremlin post this week, said in an interview. "A resignation would be bad not just because of the problem with the currency but because of the history of Russia. If any czar decides to resign it could lead to a real time of troubles."

Mr. Berezovsky had never made a secret of his opposition to Mr. Kiriyenko or his own doctrine that the government should be a servant of well-connected businessmen.

A former mathematician, Mr. Berezovsky made a fortune as a car dealer and media mogul after the collapse of the Soviet Union. He was one of Mr. Yeltsin's major financial backers during the 1996 presidential elections and claimed his reward by being named deputy secretary of the National Security Council.

Almost immediately, he locked horns with Kremlin reformers like Mr. Chubais, who once presided over Russia's troubled privatization program.

Mr. Nemtsov, the former governor of the Nizhny Novgorod region whom Mr. Yeltsin once touted as a possible successor, prevailed on the president last year to fire Mr. Berezovsky from his security post, complaining that the businessman was mixing his business and government interests.

But Mr. Berezovsky remained close to the corridors of power. He maintained connections with Valentin Yumashev, Mr. Yeltsin's chief of staff, and Tatyana Dyachenko, Mr. Yeltsin's daughter and political adviser.

And he used his control over the ORT television channel and his newspaper, Nezavisimaya Gazeta, to attack his opponents.

Last March, when Mr. Yeltsin anointed Mr. Kiriyenko — a Nemtsov ally and former energy minister and banker who also comes from Nizhny Novgorod — as prime minister, Mr. Berezovsky inveighed against the choice.

At first, it appeared that Mr. Berezovsky would be the loser. Aided by Mr. Chubais, the Kiriyenko team negotiated a $17 billion bailout package with the International Monetary Fund. Western officials praised the new prime minister's dedication and acumen.

But not everyone was so enthusiastic. Some in the Russian financial community were alarmed by Mr. Kiriyenko's talk about putting the nation's house in order by refusing to bail out well-connected banks and enterprises. Some of Russia's new tycoons, who had built their fortunes by buying privatized government enterprises at bargain prices with the help of political connections, have not proved to be very adept business managers and now fear the idea of free market competition

Even with the IMF bailout, investors continued to flee the world's emerging markets. The Parliament resisted Mr. Kiriyenko's program, much of which was tied to the loans from the Fund. Worse, the ruble began to falter and Russian banks were having trouble paying back their borrowings.

Last week, the government, after insisting that it would never devalue the currency, reversed itself and allowed the currency to decline in value. It also took some steps to protect the nation's oligarchy, including a 90-day moratorium on the repayment of banks' foreign debt.

But the financial crisis also gave the prime minister's opponents the opening they had been waiting for.

"Kiriyenko prepared a packet of measures that would lead to the bankruptcy of ineffective banks or financial industrial groups," Mr. Nemtsov said. "When the oligarchs sensed this, they decided to change the government."

As last week came to an end, there was talk that Mr. Kiriyenko might be ousted, but it was far from clear who might take his place. In the halls of the Kremlin, several successors were mentioned: the pugnacious major of Moscow, Yuri Luzhkov; Yegor Stroyev, the head of the upper house of Parliament, and Mr. Chernomyrdin, the prime minister whom Mr. Yeltsin unceremoniously ousted in March.

Mr. Chernomyrdin had his liabilities. During his first term as prime minister, he had gone along with Russia's stutter-step journey toward a capitalist democracy. But he had also presided over the insider deals and half measures that led to its economic quagmire.

Top Officials Authorized 1997 Gassing of Civilians, Albania Prosecutor Says

By R. Jeffrey Smith
Washington Post Service

TIRANA, Albania — A criminal prosecutor has alleged that top officials in the government of former President Sali Berisha deliberately fomented civil chaos and secretly authorized the use of a potentially lethal gas against citizens last year.

At the prosecutor's direction, six former officials of Mr. Berisha's rightist government were arrested Saturday and charged with committing "crimes against humanity." The allegations, which Mr. Berisha has charged are politically motivated, have opened up new political wounds here and provoked fresh concerns in Washington that Albania's shaky government faces yet another serious crisis.

Mr. Berisha already has organized a demonstration by 3,000 supporters in the capital, and in an interview Wednesday he vowed additional protests in other cities as long as the six men remain in jail.

"This is the return of former political trials," Mr. Berisha said. Asked if local newspapers had accurately quoted him as threatening a civil war, Mr. Berisha said, "We are absolutely ready to defend the political values for which we stand," adding, "We could not accept political prisoners in Albania."

Prime Minister Fatos Nano, who leads a Socialist-led coalition that took power after an election 13 months ago, said in a separate interview, however, that he favored letting the judicial proceedings run their course before considering a legal amnesty that would free the men.

"These are not irrelevant people," Mr. Nano said. "They had strong positions in the former government. They probably received orders from a higher level in the government."

The prosecutor, Arben Rakipi, has alleged that the former government's abuse of power during the civil strife was so extreme that its activities lie outside the provisions of an existing amnesty enacted by Parliament. He claimed in particular that the former defense minister, Safet Zhulali, and the former interior minister, Halit Shamata, among others, had approved gassing peaceful demonstrators in the city of Vlore with a type of phosgene, a choking agent that can be lethal in high doses.

From mid-January until midsummer 1997, Vlore was a center of popular outrage against Mr. Berisha's government over the collapse of financial schemes that defrauded many citizens. Demonstrations eventually gave way to a spasm of civilian violence against government institutions and officials across the country, which devastated its economy and infrastructure.

Allegations have long swirled in political circles here that Mr. Berisha and his supporters helped fan the violence so they could declare a state of emergency and ensure Mr. Berisha's reelection in March 1997. But Mr. Berisha's party lost in new elections three months later, and now some of its leaders face formal criminal charges that they helped distribute weapons from the country's arsenals to supporters for use against other civilians and also ordered the army to attack protesters.

According to Mr. Rakipi, the gas was never used in Vlore because two military helicopter pilots refused to ferry the substance to the city from an arsenal less than 10 kilometers (6 miles) east of Tirana. But he claims to have collected statements from two of the six arrested former officials, as well as from the two pilots and the former head of the Interior Ministry's chemical division, all confirming that key ingredients of the weapons were mixed in late January 1997 with the intention of using them in Vlore.

Mr. Rakipi and two other prosecutors said that the liquid was stored in plastic soda bottles and was to be transformed into an aerosol with small explosive charges. He said the liquid was formed by mixing gasoline and a substance known as chloropicrin, which Albania obtained from China. The date of the purchase is not certain, he said, but it occurred when the two countries had close military ties, before Mr. Berisha's government took power in 1992.

According to Amy Smithson, a chemical weapons expert at the Stimson Center in Washington, chloropicrin is similar to tear gas and has long been used by military forces during training exercises to test gas masks and help prepare troops for operating on a battlefield sprayed with deadlier poisons.

"It is way, way down on the scale of bad stuff," particularly in comparison with much more lethal chemical agents, such as sarin or VX, Ms. Smithson said. The production and sale of chloropicrin was controlled, but not banned, by the global Chemical Weapons Convention that came into force in April 1997. China and Albania have pledged to adhere to the treaty, and Mr. Rakipi said that once the judicial proceedings end, all of the substance "must be destroyed."

Many citizens of this former Stalinist country are likely to be skeptical that politics played no role in the allegations, as Mr. Nano repeatedly insisted during an address on state-run television Tuesday.

Mr. Rakipi was appointed by Parliament a year ago and officially acts as an arm of a judiciary that is independent of Mr. Nano's government.

Anatoli Malinov/Agence France-Presse

A woman selling used clothing Thursday in Moscow. On the back wall, 'Yeltsin — jackal' has been sprayed.

BRIEFLY

Havel Going Home

PRAGUE — President Vaclav Havel of the Czech Republic will be released from the hospital Friday after complications from intestinal surgery in late July threatened his life, doctors said Thursday.

Mr. Havel, 61, will continue his recovery at home and is still scheduled for a state visit to the United States in mid-September.

On July 26, he had an operation at the Central Military Hospital in Prague to remove the bag he was fitted with when his large intestine ruptured while he was on vacation in Austria in April.

The surgery went well, but he was stricken by pneumonia and then an accelerated heartbeat, which threatened his life for the third time in 19 months.

The heart problem was treated with electric shocks. Before the heart problem, Mr. Havel needed a tracheotomy to allow him to breathe sufficiently.

After he had surgery to remove a small cancerous tumor in a lung in 1996, pneumonia nearly took his life. Doctors said the intestinal problem was not connected with the lung cancer. *(Reuters)*

Turk to Visit Russia

ANKARA — Prime Minister Mesut Yilmaz of Turkey will visit Russia in October, mainly for economic cooperation talks, despite a row over Moscow's planned missile sale to Cyprus, a cabinet minister said Thursday.

The state minister for the economy, Gunes Taner, revealed the plan. He is due to meet Russian officials, including Acting Prime Minister Viktor Chernomyrdin, to discuss Turkish efforts to relieve Russia's financial crisis, the Anatolia news agency said.

"Turkey and Russia are the second-largest trading partners of each other and anything happening in Moscow is important for us," Mr. Taner said. *(AFP)*

Le Pen Slap at Aide

TOULON, France — Jean-Marie Le Pen rebuffed Thursday the ambitions of Bruno Megret, the second-ranking leader of Mr. Le Pen's far-right National Front, to head the party's slate in European elections next year.

Mr. Le Pen said he was "not aware" of Mr. Megret's candidacy, which his deputy had declared in an interview with the French daily Le Figaro.

"Unfortunately, he confides in the press rather than in the president," Mr. Le Pen said as he arrived for a party conference in Toulon, which is governed by the National Front.

French political circles have speculated that Mr. Le Pen is angry with Mr. Megret, who has distanced himself from the leader's more controversial anti-Semitic and anti-foreigner remarks. *(AFP)*

RUSSIA: *As Pressure on Yeltsin Grows, Officials Discuss Change*

Continued from Page 1

uncertain future of Mr. Yeltsin, the man who has dominated Russia's shaky democracy since its birth seven years ago.

His recent absence from the political scene, after an abrupt change in government Sunday, has fueled rumors of his early resignation and deteriorating health. Pressed by rumors circulating here and abroad that Mr. Yeltsin is ready to resign, Kremlin spokesmen repeatedly stated that such reports were untrue.

"No resignation has been on the agenda," said Mr. Yeltsin's press secretary, Sergei Yastrzhembsky. "Let's calm down and take up real problems."

However, in a unusual move that spoke volumes about Mr. Yeltsin's diminished authority, Mr. Yastrzhembsky went to the Parliament on Thursday and spent three hours in conference with the chief of the Communist Party, Gennadi Zyuganov.

The focus of their discussions was a draft document that demands that the president cede his considerable powers to appoint and fire governments and yield them to the Parliament, or Duma, which is dominated by the opposition.

The political document would circumvent the Russian Constitution, calling on Mr. Yeltsin to become little more than a ceremonial president.

According to a well-informed Russian journalist, Mr. Yastrzhembsky said the president would refuse to sign the document.

Mr. Zyuganov, in turn, said that without the president's signature, the Parliament would not confirm Mr. Chernomyrdin as prime minister at a session scheduled next week.

In public comments after the meeting, Mr. Yastrzhembsky said only that the political document, and the separate draft program for a radical change in the country's economic course, "constitute a basis for compromise."

Mr. Zyuganov hinted that negotiations were not over.

"The presidential camp is now aware of what is happening in the country and now that they understand reality, consultations may become more productive," he said, noting that the president's future "social welfare" was also discussed.

According to Sergei Markov, director of the Institute of Political Studies, Mr. Yeltsin's early resignation — before his term expires in 2000 — is "definitely under discussion, but the issue is when, and with what mechanism."

Mr. Markov said Mr. Yeltsin's primary concern will be a guarantee that he and his family will be immune from any future prosecution, which could arise on charges, including treason, listed in articles of impeachment being discussed in the Duma.

"But," Mr. Markov said, "Boris Yeltsin can only resign if he sees that Mr. Chernomyrdin controls the situation."

Mr. Markov and other political analysts say pressure on Mr. Yeltsin to resign is probably coming from advisers who want to see Mr. Chernomyrdin, whom Mr. Yeltsin has already chosen as his successor, run for president in early elections before he is too badly tarnished by the coming economic crisis.

But other analysts cautioned that most resignation scenarios lack any hard information about Mr. Yeltsin's own intentions.

"We don't know what the president thinks about it," said Vyacheslav Nikonov, director of the Political Foundation. "There is a lot of talk about this resignation, but no one is sure if he is well informed about it."

"Everything is up to Yeltsin," said Pavel Voshchanov, a journalist who was the Russian president's press spokesman during the 1991 coup. "The situation in the Kremlin is in complete collapse. Almost everyone has left him. He is in a dead end."

Most observers agree that Mr. Chernomyrdin is ready to compromise with the Parliament and its Communist-dominated majority and even accept its draft economic program. He is also expected to agree on naming several Communists to his cabinet.

Kohl Denies Plan to Hand Over His Job

Reuters

BERLIN — Chancellor Helmut Kohl tried to stamp out speculation Thursday over how long he would stay in office as rumors swirled that he might hand over the reins of power early if he is re-elected next month.

Mr. Kohl strongly denied that he had agreed on any timetable for handing over to his preferred successor, the Christian Democrat Union's parliamentary chief, Wolfgang Schaeuble, if he won the Sept. 27 general election.

The Berlin-based newspaper Tagesspiegel reported that Mr. Kohl and Mr. Schaeuble had agreed on a schedule for the transfer if the party remained in power and that discussions were under way about whether to make the plan public.

"There's no agreement or anything else," Mr. Kohl told reporters in Berlin, repeating that he was running for a full four-year term.

Mr. Kohl said he had no intention of settling the matter of his succession before the election but added that he could imagine Mr. Schaeuble becoming the party's candidate for chancellor in 2002.

Mr. Kohl's conservatives are trailing the Social Democrats by between 3 and 7 percentage points in the polls with less than five weeks until the vote.

Russia May Block Arms Control Pact

The Associated Press

MOSCOW — Russian parliamentary leaders threatened Thursday to postpone ratification of the START-2 treaty, reiterating allegations of U.S. violations of the previous arms control agreement, START-1.

The Russian foreign minister, Yevgeni Primakov, and the U.S. deputy secretary of state, Strobe Talbott, meanwhile conferred on the agenda of the meeting next week between President Boris Yeltsin and President Bill Clinton, Russian news agencies reported.

The Russian military has circulated allegations of U.S. violations before, and even reports of such concerns could further delay the long-stalled ratification of START-2, the nuclear arms-cutting agreement, by the Communist-dominated Parliament. Two key members of the Parliament on Thursday urged Washington to deal with the alleged violations before Mr. Yeltsin and Mr. Clinton meet Tuesday, the Interfax news agency reported.

The Russian military has reportedly complained that the United States is helping Britain test Trident ballistic missiles at a U.S. range to see whether they could carry 10 to 12 warheads, more than the 8 allowed by START-1.

The military also alleges that the United States has changed the coating on the landing gear of B-1B strategic bombers, making it easier to restore the bombers' ability to carry cruise missiles. And it reportedly objects to uncontrolled scrapping of U.S. MX missiles.

Regional problems and economic cooperation are also on the summit meeting agenda, a Foreign Ministry spokesman said.

LAWSUITS: *Nazi-Era Slave Laborers to File for Damages Against German Companies*

Continued from Page 1

called on the German banks to "assume their responsibility" by compensating victims of the Nazis.

German companies generally deny any legal responsibility, arguing that the Hitler regime imposed the slave laborers on them. That is why they are demanding government participation in any new compensation fund.

"In pure legal terms, we are not responsible," said Bernd Graef, who oversees the archives at Volkswagen. "But we feel a moral and historic obligation and we will do something."

Edward Fagan, the New York lawyer pressing the case, said in a telephone interview that he would be working on the suit with a team of lawyers in California and that the suits would be filed in San Francisco and Los Angeles.

He disputed the notion that German companies can preempt damages by creating humanitarian funds.

Mr. Fagan said he assumed the defendant companies would respond that they were "just taking orders."

He added: "That got a lot of people convicted at Nuremberg," a reference to war-crimes trials there.

The question of payments to survivors of the Holocaust moved to the forefront in many German boardrooms following this month's $1.25 billion out-of-court settlement by Switzerland's two biggest banks and this week's landmark agreement by five leading European insurance firms to make disbursements for unpaid claims from the war years.

Holocaust-related suits already have been filed against Germany's two biggest banks, the German operations of Ford Motor Co. and the precious metals group Degussa AG.

According to the 31-page suit, other companies named are the bus-making operations of MAN AG; the Messerschmitt AG aircraft company and the Telefunken Systemtechnik AG electronics group that now both belong to Daimler-Benz; the AEG AG electronics group, which Daimler-Benz sold but appears in the suit as a Daimler unit; the Leica Camera AG company; the Wurttembergische Metallwarenfabrik AG; and the Steyr-Daimler-Puch AG engineering group in Austria. Other lesser known companies are: Dynamit Nobel, Henkelwerke Aircraft, Diehl, Brabag Oil Refinery and Hella.

Mr. Fagan will file the suit, which describes the "inhuman" conditions under which the plaintiffs worked, with associates in a San Francisco law firm.

In the election campaign, Chancellor Helmut Kohl says the companies are on their own, noting that the government has paid out over the five decades since the end of World War II more than 120 billion Deutsche marks ($66.43 billion) to victims of the Nazis. He has refused to furnish further federal funds to former slave workers.

His challenger, Gerhard Schroeder, who sits on the Volkswagen board of supervisors, is willing to offer at least a symbolic portion of taxpayer money to a humanitarian fund that would also include corporate contributions.

Officials in Mr. Schroeder's opposition Social Democratic Party have joined Jewish leaders and historians in urging German banks to follow the Swiss settlement.

Volkswagen acknowledges the use of forced labor during the war. The company exploited an estimated 17,000 to 20,000 slave workers at its Wolfsburg plant to make military vehicles and munitions during the war, Mr. Graef said.

Volkswagen, which already has been threatened with a lawsuit by a German attorney over unpaid wages for slave laborers, next month is expected to establish a "humanitarian fund" for victims of slave labor. The volume of funds to be dispensed will be decided at a Sept. 11 board meeting and will be independent of any government-sponsored fund.

A Daimler spokesman, echoing responses from other firms, declined comment until the suit was filed. But he added: "We have been dealing with this issue since the 1980s and we will continue to deal with it, no matter what comes up."

It was Mr. Fagan who sued Degussa last week in a New Jersey court on behalf of four survivors over the company's role in producing the poison Zyklon B gas and for melting down the dental gold taken from prisoners in concentration camps.

In a front-page essay this week called "Companies, Guilt and Money," the Frankfurter Allgemeine Zeitung newspaper predicted that German companies would pay up rather than endure a loss of image or, in a worst-case scenario, face possible boycotts in the United States, as the Swiss banks and insurers did.

"The German banks do not want a bad image in the U.S.," said Konrad Becker, analyst at Merck Finck & Co. in Munich "They will come to an agreement. It is only a matter of time."

EDITORIALS/OPINION

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Risks From Asia

Despite a host of international rescue operations, most of Asia continues today on a downward path.

In Thailand, where the whole crisis began a year ago, the government and the IMF this week agreed on new estimates that revise downward, yet again, expectations for the economy. GDP is now forecast to shrink by 7 percent this year, not 4 percent. Every day 2,000 people lose their jobs.

South Korea's slump, too, is proving harder to shake than predicted. But in both nations, at least reforms are progressing and some economists continue to predict a modest upturn next year.

Even that much is beyond hoping in Indonesia, where the fall of long-ruling dictator Suharto last spring has done nothing to improve the economy. It still takes five times more rupiah to buy a dollar's worth of goods than before the crash; with such a degraded currency, few companies in Indonesia can remain viable. Tens of millions of people have lost their tenuous grip on lower-middle-class status and fallen into indisputable poverty. The ethnic Chinese minority, whose enterprise and capital were essential to Indonesia's economic growth, were scared away by riots last spring, and the new regime has not done enough to persuade them to return.

While Thailand, Indonesia and South Korea were at the front of the line for international aid last fall and winter, stronger Asian economies, such as those of Hong Kong and Singapore, are also suffering. Economic growth and economic reform alike are imperiled in China. And a new appreciation of the risks of investing in developing economies has helped fell Russia and now threatens some Latin American countries.

Early predictions that Asia's troubles would ricochet into America's heartland have not been borne out. Imports from Asia are not soaring, and the downturn may even have proved useful by dampening inflationary pressures in America. But complacency is unwarranted. The risks to European and U.S. stock markets, and to underlying economies, remain.

As ever, one key to Asia's recovery lies within Asia's largest economy, Japan; and, as ever, the signs are not encouraging. Although wealthy in accumulated savings and industrial might, Japan is in a prolonged slump. Its banks are burdened by bad debts, but a bank rescue plan is currently stranded in wrangling between a weak government and an uncertain opposition. It is true that Japan's cabinet is new and that democratic debate always takes some time. Yet it is also true that the sense of urgency with which Japan should be tackling its problems, for its own sake and for Asia's, still seems oddly absent.

—THE WASHINGTON POST.

Reno Targets Gore

With her decision to trigger a preliminary inquiry by Justice Department investigators into Vice President Al Gore's telephone solicitations, Attorney General Janet Reno has moved tardily and incompletely toward appointment of an independent counsel to investigate a small corner of White House fund-raising during the 1996 campaign.

We would like to be able to salute her for a bolder embrace of her obligation to uphold federal campaign laws and discharge an attorney general's overarching duty to assure the integrity of federal law and the nation's electoral system. That is not possible given the narrow scope she has defined for the preliminary inquiry.

But we can at least praise her for making a start toward conquering her now legendary inertia and toward heeding warnings by the government's top campaign finance investigators that she has been misreading the law on campaign violations and her own conflict of interest in this matter.

To be sure, making Mr. Gore the target of the new 90-day inquiry that will determine whether the case gets referred to an outside prosecutor will win headlines, and the uninformed may praise Ms. Reno for political gumption. She is, after all, delivering a potential blow to Mr. Gore's presidential aspirations at a time when he has literally put an ocean between himself and the administration's ever blossoming scandals.

The outlines of the case against Mr. Gore look ominous. The new inquiry will be asked to determine if he lied when he told Justice Department investigators that he thought he was raising soft money, or party-building funds, rather than hard money, or direct contributions for campaign purposes. Some people who were in planning meetings with him may have told investigators that the vice president knew he was dialing for hard dollars, and one took notes suggesting that hard money had been discussed.

But whatever Mr. Gore did, his role was part of a much broader drama of reckless and possibly illegal conduct planned and executed with White House approval. Justice's former lead prosecutor, Charles La Bella, has given Ms. Reno a report that is reliably said to argue that the Democrats conducted a conspiracy to evade contribution and spending limits by using soft money for candidate commercials disguised as issue ads.

As Senator Fred Thompson has pointed out, the other vast area requiring a prosecutor with no ties to Ms. Reno or President Bill Clinton has to do with illegal Asian contributions and the possible selling of White House access and input on policy discussions in return for contributions. There is also the more momentous question of whether the FBI was right when it warned before the 1996 election that the Chinese government wanted to funnel illegal contributions to candidates.

These questions feel elderly now because Ms. Reno has been aging them like a Virginia ham. But their familiarity does not mean they have been answered. Only a mind reader could know why she thinks Mr. Gore's telephone calls loom as a greater threat to the democratic process than millions in illegal foreign contributions, misuse of White House invitations, evasion of the Federal Election Campaign Act and possible meddling by another nation in a presidential election.

Under the Independent Counsel Act, if a prosecutor is appointed he can seek approval from a special three-judge oversight panel to expand his inquiry to related matters if he finds evidence of additional wrongdoing. Based on information that has convinced the FBI director and other weighty Washington figures, there is plenty to dig into, if only the attorney general would get all the way out of the way.

—THE NEW YORK TIMES.

Other Comment

The U.S.-Japan Link

The U.S.-Japan relationship is sometimes expressed in terms of our economic relations with Japan, our security relationship with Japan, military, economic, diplomatic, and sometimes we think of Japan as a rather separate entity in our relations. But really, these components are part of a long-standing and very overarching relationship. It is made up of a set of mutually reinforcing interests.

Neither the end of the Cold War nor the recent Asian financial crisis has fundamentally changed that basic calculus. Our military presence in Japan remains important for us, Japan and the region. It is the anchor of stability in the Asia-Pacific region and has allowed us and Japan to safely and securely live for more than a generation.

The U.S. forward-deployed presence also remains essential. Asia is rife with potential for conflict. There is a concentration of states with the world's largest military establishments, some of them nuclear-armed. It has historic rivalries and ethnic tensions that persist, and it has a diversity of social and economic systems and levels of economic development. Key nations in the region are also undergoing fundamental political, social and economic transitions.

No one can predict what the region will be like a decade or two from now. But it is hard to imagine that it will evolve economically and politically in the directions we desire without the stability secured by the U.S. presence in Japan of our forward-deployed military forces.

— From remarks by Thomas Foley, U.S. ambassador to Japan, in Washington on Aug. 19.

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Russian Default Is a Blow to Global Capitalism

By Floyd Norris

NEW YORK — Russia's huge default on its debts, and the harsh terms it is offering to those foreigners who made the mistake of lending money to it, have petrified investors and are making capital much harder to get for other countries around the world. For that reason, the default is also increasing the risk of global recession.

Economically, Russia has never been as important as it was politically. Investors had assumed that the West would do whatever was necessary to prop up the Russians, if only to keep nuclear weapons from falling into the wrong hands. In fact, there seemed to be an assumption that private loans to nearly any government carried an implicit Western guarantee, although none had been promised.

"I would not give one nickel to help any creditor or investor," said Treasury Secretary Robert Rubin. Nevertheless, in previous bailouts engineered by Mr. Rubin, whether in Mexico in 1995 or in South Korea last year, investors in government bonds did well because that seemed necessary to avoid economic collapse.

It was not news that Russia had big economic problems, or that the government had been unable to solve them. But until last week investors still thought default was all but impossible. In June, Russia was unable to borrow all the rubles it needed, even at extraordinarily high interest rates. But it was able to borrow $1.25 billion in dollars from foreign investors, who were promised about 12 percent a year for five years.

An investor who bought one of those bonds in June and tried to sell it now would lose nearly two-thirds of the money invested. And naive investors are not the only ones who suffer. Funds managed by the international financier George Soros lost a lot of money, as did Crédit Suisse First Boston.

What went wrong? The IMF package assembled this summer proved to be far too small, given the chaos in the Russian government. The IMF lacked the money to put together the much larger package of aid that would have been necessary to avert default, and major Western governments, including America's, refused to put up their own money.

Now, with the safety net withdrawn, the ruble appears to be in free fall. Those who lent money to Russia are being forced to trade in their old securities, which promised extraordinarily high returns for lending money for only a few months, for securities yielding lower interest rates over a longer time. The risk is that, even assuming that Russia is able to honor its latest promises, the rubles it pays back will be worth far less than the ones it borrowed.

It is not clear now who is really in charge in Moscow. President Boris Yeltsin's choice of Viktor Chernomyrdin as prime minister needs parliamentary ratification, which may not be forthcoming unless he can reach agreement with the Communist leadership of the Duma. And even if that happens, there is no guarantee that the government will be able to collect taxes and actually administer the country. The outlook for the Russian people is grim.

So, too, may be the outlook for countries far away from Russia, with economies and governments in far better shape. Investors, having awakened to the reality of risk, are pulling money out of emerging markets from Hong Kong to Brazil. At best, many governments will have to pay higher interest rates to borrow, putting a damper on growth.

At worst, they will find new capital unavailable at reasonable costs, and will have to strain to repay loans as they come due. Russia's direct importance to the world economy may turn out to be far smaller than its impact on investor psychology.

Perhaps the damage can be limited, and investors will decide that Russia's problems should not affect their views of, say, Argentina. But if not, economic incompetence in post-Soviet Russia could prove to be a bigger threat to world capitalism than Stalin ever was.

The New York Times.

Strange Goings-On in Hong Kong, Bastion of the Free Market

By Philip Bowring

HONG KONG — The Russian crisis has focused attention on troubling developments in Hong Kong. On Thursday, almost all stock markets and many currencies plunged, but the Hong Kong market rose again on the year's highest turnover as the government bought huge quantities of stock, mostly from foreign institutions.

The Hong Kong taxpayer has become the Asian market buyer of last resort.

Since official buying in this supposed bastion of the free market began on Aug. 14, an estimated $6 billion of taxpayers' money has been spent driving up shares prices by 20 percent. What began, allegedly, as a squeeze on speculators to defend the peg to the U.S. dollar has become a huge daily buying operation that has increased as selling from foreign investors has mounted.

Is the government departing from Hong Kong's reputation as a citadel of the free market and endangering its attraction as an international financial center? Does Hong Kong have the stomach for the severity of recession necessary for successful defense of its currency peg to the U.S. dollar when almost all Asian currencies have fallen sharply?

Is Chief Executive Tung Chee-hwa's government responding more to the pressures of a hard-pressed but still megarich group of property and financial tycoons than to the wider needs of the economy?

The intervention has been conducted in the name of defending the Hong Kong dollar. It is accompanied by talk of "conspiracy" against the currency, and verbal attacks on "speculators."

The intervention is misguided. It bears the hallmarks of "crony capitalism" and failure to face reality seen in other Asian markets. Hong Kong's policy lurches are seen to contrast with Singapore's smooth, market-savvy handling of the Asian crisis.

The official logic of the intervention was that speculators against the currency had been making money through taking short positions in the stock market. By handing out hefty losses to those with short index positions, the government hopes to discourage speculation.

That explanation ignores weightier factors.

• The pressure on the Hong Kong dollar was not initiated by speculators. It is caused by perceptions that the Hong Kong dollar is significantly overvalued after the steep decline of the yen and most other Asian currencies, and by increasing (if overblown) fears that China will devalue next year and make the cost of Hong Kong's peg unbearable.

• Pressure on the currency has been increased by the government's own behavior, which suggests that it does not have the stomach to allow interest rates to rise to whatever level is necessary, under its currency board system, to sustain the dollar peg. The Monetary Authority has been directly supporting the currency by selling dollars. In order to protect asset prices, banks have been persuaded to keep the prime lending rate at an artificially low level.

• Most of the forward selling of Hong Kong dollars is attributable not to speculators but to investors quite reasonably wanting to hedge their Hong Kong assets, and by local companies hedging U.S. dollar obligations, against the possibility of devaluation. Foreign institutional holdings of Hong Kong stocks are probably well over $50 billion, and foreign currency borrowings by residents around $60 billion. Much hedging is still needed.

• Successful defense of the Hong Kong dollar implies acceptance that Hong Kong asset prices (and real incomes) may need to fall further if foreign capital is to be attracted back and competitiveness of the economy regained. Like Thailand in early 1997, the government has been using reserves to finance an exodus of capital. Like Japan, it will learn that propping up asset prices delays adjustment and prolongs recession.

The dollar peg has so far shielded Hong Kong from dramatic declines in asset values. However, the currency can only serve to make adjustment more gradual. It cannot avert it.

Scare stories about the consequences of abandoning the peg are ill-founded. Some companies would suffer, but Hong Kong as a whole has net foreign currency assets. Singapore and Taiwan, with their flexible currency regimes, should be the example.

The stock market intervention is targeted not at stimulating economic activity but at propping up real estate and stock prices.

The real world of free markets and massive capital flows is a harsher place than Hong Kong's business and bureaucratic elites realize. That explains why public money is being used to prop up share prices and finance a foreign investor exodus rather than increase investment or improve welfare and environment conditions during Hong Kong's worst recession since 1945.

International Herald Tribune.

American Bungling Is Letting Saddam Off the Hook

By Jim Hoagland

WASHINGTON — Iraq stands on the brink of success in its long effort to stalemate United Nations inspectors searching for Saddam Hussein's weapons of mass destruction. Baghdad's rapidly coalescing victory is a substantial defeat for world order, for the United Nations and for the Clinton administration.

The UN effort, unilaterally halted by Baghdad three weeks ago, received a severe new body blow on Wednesday when Scott Ritter quit.

In a letter of resignation redolent with controlled frustration, the organization's most effective inspector said the UN Security Council had become "a sounding board for Iraqi grievances" and "a witting partner to an overall Iraqi strategy" to weaken the United Nations.

"Iraq is being allowed to redefine the terms of the UN cease-fire resolution that stopped the Gulf War," Mr. Ritter, an ex-marine major and veteran of the 1991 conflict, tells me. "It would mean that hundreds of Americans would have died in vain."

His resignation will resonate in Washington. Congressional committees will probe next month the administration's failure since last winter's war scare to provide effective diplomatic and military support for UN Special Commission inspectors.

The story of this failure is one of conflicting priorities, inept tactics and periodic neglect of this crisis, not of evil conspiracy. There is no desire in Bill Clinton's White House or at Madeleine Albright's State Department to make life easier for Saddam Hussein. The Clintonites would like to oust him.

The administration has mounted three separate covert operations, including a small, unpromising new effort that has been sketchily outlined to Congress. These efforts have undermined the anti-concealment team that Mr. Ritter headed in the UN Special Commmission and its broad campaign to disarm Iraq more than they have undermined Saddam.

Mr. Ritter would not discuss the commission's use of intelligence reports with me. But he informally briefed Capitol Hill staffers with security clearances two months ago on a growing fear that has since become reality and public knowledge: The administration is so eager to avoid a confrontation with Saddam that it has abandoned promises to use force to make the Iraqis allow inspections.

The U.S. intelligence community was withholding logistical help and specific information from his inspectors, Mr. Ritter reportedly said. Worse, the administration was actively pressuring two foreign governments to stop providing special intelligence that the commission needed on the Iraqi Special Security Organization and special Republican Guard units.

There may be some method in this seeming madness. These same elite units guard Saddam, and the CIA has repeatedly sought to penetrate and use them to stage a coup. Intelligence from agents in Iraq might be compromised at the United Nations, or Mr. Ritter's pursuit of Saddam's trusted guards might interfere with agency coup plotters, the CIA worried.

But the agency's coup efforts have been so woeful that withholding information from the special commission was, at a minimum, an unwise trade-off.

Impartial sources see a disturbing pattern of professional rivalry and shortsightedness in CIA decisions.

In August 1995, for example, Mr. Ritter arranged to have more than 120 prohibited missile guidance gyroscopes being smuggled from Russia to Iraq intercepted in Jordan. He entrusted them to a senior Jordanian official to ship to the special commission for examination and exposure by the Security Council, according to two separate accounts.

But officials of the CIA's Middle East division got the gyroscopes away from the Jordanians through a ruse, refused Mr. Ritter's requests for the material he had discovered and told the Jordanians to cease dealing with him.

Last year the CIA helped trigger a continuing FBI investigation of Mr. Ritter for allegedly leaking secret U.S. information to other governments in his UN work, an accusation that he forcefully denies.

This committed ex-marine has come to personify the international community's once strong determination to deny Saddam the right to possess weapons of mass destruction. His resignation and the switch in U.S. policy risk making the special commission a shell of the valuable organization it was.

Mr. Clinton and Mrs. Albright need to re-examine the tactics they have chosen. The present approach ignores the fundamental point that Mr. Ritter makes: Saddam was allowed to avoid complete destruction in 1991 by promising the world to give up all his prohibited weapons.

Failure to enforce such a commitment on Saddam, the world's most flagrant user and hoarder of the new weapons of terror, will destroy any hope of effective international nonproliferation. And it will seriously undermine UN credibility with the American public.

Failure on Iraq will push the United States onto a solitary, unpredictable and expensive path outside the United Nations to confront these dangers. No one should want that.

The Washington Post.

Spies in the Skies, Glut on Earth

By James Bamford

WASHINGTON — U.S. intelligence satellites, with their membrane-thin antennae as long as football fields, are quietly replacing clandestine agents as the principal tool for gathering information on terrorists.

One of the National Security Agency's likely targets is a satellite dish in Afghanistan used for worldwide communications by Osama bin Laden, a suspect in this month's African bombings.

But as the NSA develops better bugs to listen in on terrorists and other adversaries, it is losing its ability to rapidly sort through the reams of information to provide early warning of attacks.

At the same time, the most violent terrorist organizations have become nearly impossible for agents to penetrate. Many are made up almost exclusively of members who have known one another for generations. For added security, some groups have divided into semi-autonomous cells.

One small group may not know the plans or even of the existence of others in the same organization. Planting an agent in, or recruiting a member from, the right cell in the right country at the right time to foil an attack is nearly impossible.

But even the most tightly knit terrorist group must occasionally communicate, especially when planning an attack in more than one place at once, as in East Africa. Explosives must be ordered, money must be transferred, instructions must be sent.

From their sentry posts in space, the NSA's small force of satellites can listen in on all types of communication.

When a terrorist whispers into a telephone, his words get transmitted to a ground station, become amplified and disappear into space, where they are captured by the antennae on NSA satellites.

In the last few years the National Security Agency has played a major role in preventing several serious terrorist incidents. Intelligence officials will not give specifics.

There have been near misses. In 1983 the agency intercepted Iranian communications that pointed to plans for a terrorist attack just before the bombing of the U.S. Embassy in Beirut, but it did not discover any dates or locations. Three years later the NSA came within minutes of providing warning of the bombing of the La Belle discotheque in West Berlin, which killed three people, including two American soldiers, and injured hundreds.

The agency's big problem is not in collecting the intelligence but in processing it — converting raw data, some of it encrypted, into understandable information. So much intercepted data flows into the agency that it must destroy more than 22 million pounds of paper a year. "Try to imagine," an NSA employee said in an internal document, "a stack of paper 6 feet wide, 6 to 8 feet tall and 20 yards long traveling along a conveyor belt towards you every 10 minutes all day long."

The agency uses supercomputers to search through intercepted communications for specific names and words, reducing much of the work.

But by the end of the Cold War the agency was reportedly able to process only about 20 percent of all the intelligence it pulled in. And by the mid-1990s that amount was estimated to have shrunk to a mere 1 percent.

It has always been far easier for the NSA to persuade Congress to provide more money for a sexy new piece of technology, such as a satellite with the ability to vacuum 50 percent more phone calls from the ether, than for 200 more analysts to sift through the mountains of information.

But with the number of international terrorist attacks increasing and the NSA's ability to analyze intercepted data decreasing, it might be time to think more about humans than about hardware.

The writer, author of "The Puzzle Palace," a book on the National Security Agency, contributed this comment to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Soldiers Suffer

NEW YORK — The whole country rings with the sufferings of the battle-scarred soldiers now in camp. The Government officials have received the most severe arraignment in our history. Under such a severe lash of criticism the officials are pouring all sorts of relief into the fever camps, where the most horrible conditions prevailed. What has hitherto been done for the sick and wounded by private charity, is now undertaken by the Government. President McKinley issued an order allowing an expenditure of sixty cents a day for every invalid in hospital.

1923: 'Beer Famine'

LONDON — An unusual type of American tourist has hit London; it is the type with a thirst for beer. Some say that it is on medical advice that they are imbibing English beer, while others say they are tired of the spirituous hootch at home. It has puzzled some hotel managers, because of the number of women who have had beer sent to their rooms. A considerable number of beer consumers hail from the Middle West, and their penchant for it is declared by them to be prompted by a real beer famine in their home sections.

1948: Ustachi Trial

BELGRADE — Yugoslavia's biggest trial ended when forty-three accused Ustachi war criminals and spies were condemned to death. Of these, eighteen will be hanged as a special mark of disgrace. All had returned from Italy, Germany and Austria for the purpose of carrying out "espionage, terrorism and preparations for new imperialistic aggression." The prosecutor attempted to prove that the accused were agents of the Vatican and "Western imperialists."

OPINION/LETTERS

'War on Terrorism' Can Become a War on Sanity

By Flora Lewis

MIAMI — In what has become the manner of the times, the newly proclaimed "war on terrorism" is taking on a shrill, hyper-menacing tone that cannot help the United States deal with the problem. Some commentators seem almost gleeful at finding a dangerous new enemy to take the place of the Cold War threat.

To a visiting American, there is an astonishing intensity in the way news is presented to maximize the drama. The television reports, and most people get their news from television now, go on hour after hour, with interruptions only for commercials, the weather and sports, whether or not they have any information to offer.

It is as though nothing else is going on in the world except Monica Lewinsky and terrorism. Journalists and "consultants" interview each other endlessly on what they think about the facts they admittedly don't know. They spend so much time on camera that they cannot do much reporting beyond offering themselves as the audience for "spin control" briefings, so they are not prepared to ask probing questions.

Even the sober, serious ones, such as Ted Koppel, discuss at length the Armageddon that the terrorists may be preparing for the United States. There is some official deliberation behind this. The government feels a need to arouse people so as to have full support for future action not yet thought through.

Gone is the moderating, skeptical tone of a Walter Cronkite searching for some perspective and a basis for independent judgment. The more they talk, the less they say.

It reminded me of the time when President John Kennedy, seeking to mobilize people for the nuclear arms race, announced a program to have everybody build a family atomic bomb shelter in the backyard.

Fortunately, the idea was soon abandoned. A combination of dismay and ridicule, and a gradual understanding that terrorizing the country was not a good way to strengthen it, shot the program down.

The Saudi dissident Osama bin Laden, who has been around promoting his nefarious plots for a long time but was unknown except to Middle East experts, has suddenly provided a face to pin on the murky image of terrorism. It is as though he could be held to account for all of it.

Nobody asks for some clarification of just whom the new war is to be fought against. Only Arabs, or are the Irish, the militant Israelis, the Japanese cultists, the Colombian and Peruvian and Algerian guerrillas to be included?

Is the terrorist some kind of special breed to be identified by the color of skin, the length of nose, facial hair, a headdress? Or is it only somebody who hates Americans?

There is little explanation of the background of Mr. bin Laden and the "Afghanis," the people from many countries recruited to fight the Soviet invasion in Afghanistan with Pakistani sponsorship and American supplies and finance. The European press has made the point. The Financial Times called Mr. bin Laden "America's Frankenstein," a reminder that dirty tricks and covert action spawn more dirty tricks.

Even the dangerous implications of the missile attacks on Afghanistan and Sudan are brushed aside in the effort to appear faultlessly resolute. It has only just come out that the deputy chairman of the Joint Chiefs of Staff, General Joseph Ralston, was sent to be in Pakistan when the missiles hit the neighborhood, so he could convince the Pakistani military that the sudden strike was not an attack from India.

A misinterpretation of who was targeting whom could have led to a nuclear exchange between the two subcontinental enemies. That is an extreme but factual example of why it is bad to stir up exaggerated fears with worst case terrorist scenarios.

For myself, I feel obliged to reserve judgment on the missile strikes. I favor doing whatever is possible to deter terrorism and punish its practitioners, but we don't know enough yet to tell if this was a good way and what chances it had of being effective. A sheer display of destructive power can serve the terrorists' purposes by heightening tension and hostility.

It was shocking to hear some congressmen and commentators jump to the assumption that Mr. Clinton decided on the spectacular retaliation for the bombings in Kenya and Tanzania to change the subject from the round-the-clock Monica Lewinsky coverage. In itself, that showed how much the scandal has damaged America.

There is a problem of credibility, having nothing to do with the president's sex life but much to do with the way important news is handled and opinion manipulated.

Maybe the American public, having been exposed to this kind of infodrama since the O. J. Simpson show bolstered ratings, is inured to its insidious effect. But that isn't reassuring. "War on terrorism" can become a war on sanity.

Flora Lewis.

Baseball Isn't Just About Playing by the Rules

By Bob Herbert

NEW YORK — Androstenedione is legal in the United States, and Mark McGwire, a remarkably muscular man who hits home runs for a living, has a right to use it. Whether it is a good idea to use it is another matter.

Mr. McGwire, a first baseman for the St. Louis Cardinals, has had a glorious summer and is now closing in on the single-season home run marks of Babe Ruth and Roger Maris. Kids idolize him. Fans have been filling ballparks from coast to coast to watch him swing his mighty bat. When he comes to town.

MEANWHILE

it is not enough to see the ball game. You have to show up early enough to catch batting practice, to watch his screaming line drives and long, towering flies.

Even when Mr. McGwire is on the road he gets standing ovations. After a McGwire home run on Sunday at Pittsburgh's Three Rivers Stadium, the delirious Pittsburgh fans demanded a curtain call, an extremely rare honor for a visiting player.

Mr. McGwire, somewhat embarrassed, obliged. He stepped from the dugout and tipped his cap. The fans went wild. Later Mr. McGwire would say, "I wish every baseball player could feel what I'm feeling now."

Androstenedione is a controversial substance, currently classified as a dietary supplement, that is taken in pill or capsule form. It is converted by the body into testosterone. Athletes take it because they believe that this temporary testosterone boost can help build muscle and increase strength and endurance.

Mr. McGwire, who in past years has lost substantial playing time to injuries, recently acknowledged that he uses androstenedione. He said it increased the efficiency of his weight-room workouts.

This acknowledgment has cast a shadow over his dream season.

While it can be purchased over the counter and its use has not been prohibited by Major League Baseball (although the National League is now, belatedly, taking another look), androstenedione has been banned by the National Football League, the National Collegiate Athletic Association and the International Olympic Committee. Randy Barnes, the Olympic shot put champion, is facing a lifetime ban because he tested positive for androstenedione in April.

So what gives? Is Mark McGwire in better shape to hit home runs because he is taking a pill that promotes the development of lean muscle mass? A pill that can make a strong man even stronger?

Nobody knows. The Cardinals and Mr. McGwire issued a joint statement this week that said androstenedione "has no proven anabolic steroid effect nor significant side effects."

Charles Yesalis, professor at Penn State University and author of the book "The Steroids Game," said: "The whole idea is to convince people that you're not really taking a drug, that this is not cheating, and most certainly that you are not taking steroids.

"Well, of course, this is a steroid. What is debatable is whether this is an anabolic steroid. Does it have anabolic qualities — tissue-building qualities?"

Gary Wadler, professor of clinical medicine at the New York University School of Medicine and the lead author of the influential textbook "Drugs and the Athlete," said:

"I don't think anybody particularly knows whether androstenedione itself has anabolic qualities. But the substance that androstenedione is converted into unequivocally has anabolic properties. It's the father of all anabolic steroids: testosterone. So if, in fact, depending on the dose — a critical issue — if you can raise the amount of testosterone in your blood by taking enough of this stuff, then it's anabolic, provided you lift the weights and do all the other stuff."

The U.S. Drug Enforcement Administration is looking at androstenedione, but federal officials have not determined whether it should be regulated and controlled as anabolic steroids are. Too little is known about it, officials said, including its long-term effects.

So Mark McGwire is operating safely within the boundaries of the law and the rules of his sport. But there are other considerations.

Each new home run gives the nation a thrill. As Mr. McGwire draws closer to Babe Ruth's 60 and Roger Maris's 61, each at-bat will likely be televised live to the nation. A lot of young people will be looking on, admiring their hero, trying to follow his example, trying their best to be like him.

The New York Times

Democrats' Mixed Feelings

By E.J. Dionne Jr.

WASHINGTON — As President Bill Clinton desperately seeks escape from the Monica Lewinsky scandal, one group matters to him above all: Democrats in Congress, especially Democrats in the House, where an impeachment move would originate.

Mr. Clinton needs their firm support. What he's getting is much less: division, worry, anger and, in some cases, pure agony.

Take one Southern Democrat generally sympathetic to Mr. Clinton's policies, a steady politician who prizes rationality over passion. This House Democrat, one of a half dozen interviewed, was surprised that Mr. Clinton's admission affected him so much, even though he did not believe the president's denials in the first place.

"The impact of the half apology and how much deception had gone on and how many people had been used hit pretty hard," this House veteran said. "Some loyal Democrats are hurting about this."

Representative Louise Slaughter, Democrat of New York, was unabashed about putting her rage on the record. "I am very angry with him," she said, "and I do not understand how a man who is as smart as he is, and had that lawsuit hanging over his head and was under investigation, could have done this."

But to get a fix on the mood of House Democrats, understand that their anger at Mr. Clinton is accompanied by fury at the independent counsel, Kenneth Starr, and the process that brought the country to this point. Ms. Slaughter condemned a "disgraceful performance on everybody's account."

Representative Tom Allen, Democrat of Maine, said "the president behaved very badly," but added, "You have to look back and ask why he has been asked these questions in the first place."

"I don't think this democracy can survive this level of investigation, either in the presidency or in the Congress," Mr. Allen insisted. "You take all the issues people care about off the front pages."

Besides anger at Mr. Clinton and Mr. Starr, there is an ineluctable third factor: public opinion. Many Democrats say they are running into the same sentiment in their districts that the polls are reflecting nationally: a desire to get over this quickly.

Representative Jim McGovern, a first-term Democrat from Massachusetts, told of an encounter with a group of senior citizens in the town of Swansea: "I got up and said I should probably say something about the president's speech. A lady in the back got up and said: 'I don't give a damn. Tell me what you're going to do to save my Medicare.' And everybody erupted in applause."

A Democrat from a Western state who asked not to be named said many voters "didn't want to have confirmed what they already knew" and were angry at even having to think about Mr. Clinton's personal behavior.

"People are always saying that the president 'compartmentalizes,'" this Democrat said. "But the voters compartmentalize, too." They do not think of Mr. Clinton as a "friend" whom they judge in personal terms, but "as someone who is doing an impossible job rather well."

This may explain, as the Democratic pollster Mark Mellman said, why "after eight months of relentless discussion, debate and revelation, the needle of public opinion hasn't moved" in its judgment of Mr. Clinton's performance in office.

Still, House Democrats are not convinced Mr. Clinton's numbers will hold. They do not know what will be in Mr. Starr's report. They have no idea how this matter will be playing when voters go to the polls in November.

The House Democratic leader, Richard Gephardt, has been careful to reflect this complex of anger, worry and calculation. He is trying to protect his legions from the president's troubles and has condemned Mr. Clinton's actions as "reprehensible."

At the same time, he has warned Republicans not to turn the case into "a politicized, partisan street fight." The message: If Republicans pick such a fight, they might do the one thing that could unite Democrats. That is why the House speaker, Newt Gingrich, has been shrewd in being uncharacteristically nonpartisan since the Clinton speech.

But underneath the politics are the personal feelings.

Politicians have them, too. Here is one House Democrat from the Northeast: "As someone who's been a big supporter of the president, I'd like to say let's get this behind us and move on to the issues we care about. But the mood seems to have changed, even though the polls haven't. I begin to worry that we really can't put this behind us. It's extremely disappointing, it's reckless."

"It's such a tragedy," this Democrat mourned. "He's one of the brightest, most focused people in public life. He really could have been a great president." All the spinning in the world won't assuage the disappointment at the heart of the president's own camp.

The Washington Post.

LETTERS TO THE EDITOR

A Plea for Kosovo

We are writing as a group of concerned United Nations Associations to call for a more comprehensive approach to the tragic crisis in Kosovo.

We call for the UN Security Council to:

- Continue to strive for a cease-fire and for the Kosovars to adopt a united negotiating position.
- Enhance considerably its capacity to monitor its existing arms embargo and ban on potentially repressive equipment.
- Put President Slobodan Milosevic under greater pressure to comply with the Council's demands, given that he is more to blame than anyone else for the destruction of former Yugoslavia; and start to work on a package of further sanctions if he fails to do so.
- Develop urgently a resourceful humanitarian and repatriation program.
- Secure an early agreement for a major increase in the number of international human rights monitors.
- Seek to ensure that linguistic and other cultural rights of the Kosovars are built into a newly decentralized autonomy for Kosovo.
- Plan, as a very last resort, some form of UN-authorized and UN-controlled peace enforcement force to avoid major bloodshed and maintain it on standby as support for a diplomatic drive; and, as a happier alternative, a peace-keeping force to help oversee an agreed cease-fire.

While we certainly do not underestimate the colossal task facing the international community in this tragedy, we are convinced that strengthened efforts to move forward are urgent and essential.

MALCOLM HARPER.
London.

The writer, director of UNA-UK, signed this letter along with the heads of United Nations Associations in Canada, Luxembourg, the United States, the Netherlands, Denmark, Germany and Iceland.

Sure, Only Drunks

I agree with Jeff Jacoby (*"Their Real Aim Is to Annoy as Many People as Possible," Meanwhile, Aug. 26*). Only drunk drivers should be required to undergo road-blocks, saving sober drivers untold aggravation. Also, the police should only arrest people who will be found guilty and only dishonest businesses should be audited. Finally, only aircraft that are unsafe should be inspected.

LAURETTE TUCKERMAN.
Paris.

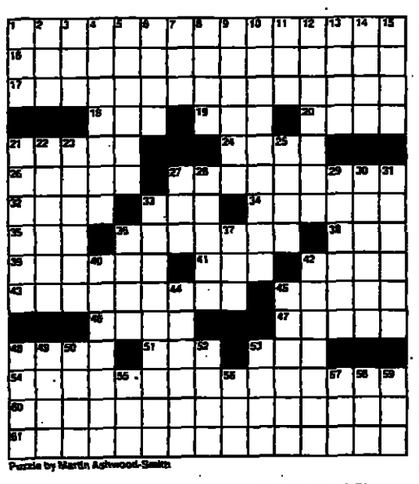
CROSSWORD

ACROSS

1 Medical soap
15 There's no disputing it
17 Drys
18 Ante matter
19 Upset, with "up"
20 March time
21 Cow
24 Encyclopedic
26 They're crossed in competition
27 Where Alexandria is
32 Pendulum paths
33 Outer limit
34 People in these know the ropes
35 Twaddle
36 One showing empathy
38 "—— Titanic" (1979 movie)
39 Destine for, as oblivion
41 Vulcan, for one
42 Portcullis
43 Rock locale
45 More wise
46 "Your Erroneous Zones" author
47 Parry
48 Bouquet source
51 Access, with "into"
53 Muscle: Prefix
54 Safe from a storm, as a plane
60 Fall feverish
61 Melt material

DOWN

1 Kind of feeling
2 "Another Green World" composer, 1975
3 Pendleton of "Northwest Passage"
4 Qualifies
5 Classic British cars
6 Latin lover's word?
7 High pitch
8 The sound of silence
9 Bony
10 Here and there
11 Fraternity letter
12 Charged, in a way
13 In a bind
14 Development unit
15 Amount to make do with
21 Opposes boldly
22 Displace
23 Figure of speech?
25 Carbon monoxide's lack
27 Goose egg
28 Politico's concern
29 "Gil Blas" author
30 Whistle blower
31 Put forward
33 Amtrak offerings
35 Supporting member
37 Soft-rayed food fish
40 High-tech form of rescue
42 Dance in quadruple meter
44 "A German Requiem" composer
45 Doctor's order
46 Buckle
49 Supporting member
50 Double negative?
52 Spanish Philip, informally
53 Ford make, for short
55 Haitian season
56 Have an "altar-ation"?
57 Cast
58 Stumbling points
59 "Riddle-me-——" ("Guess!"



Puzzle by Martin Ashwood-Smith

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Solution to Puzzle of Aug. 27

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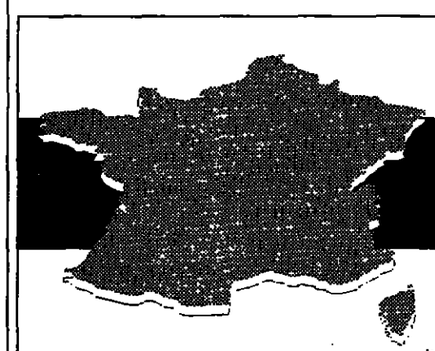

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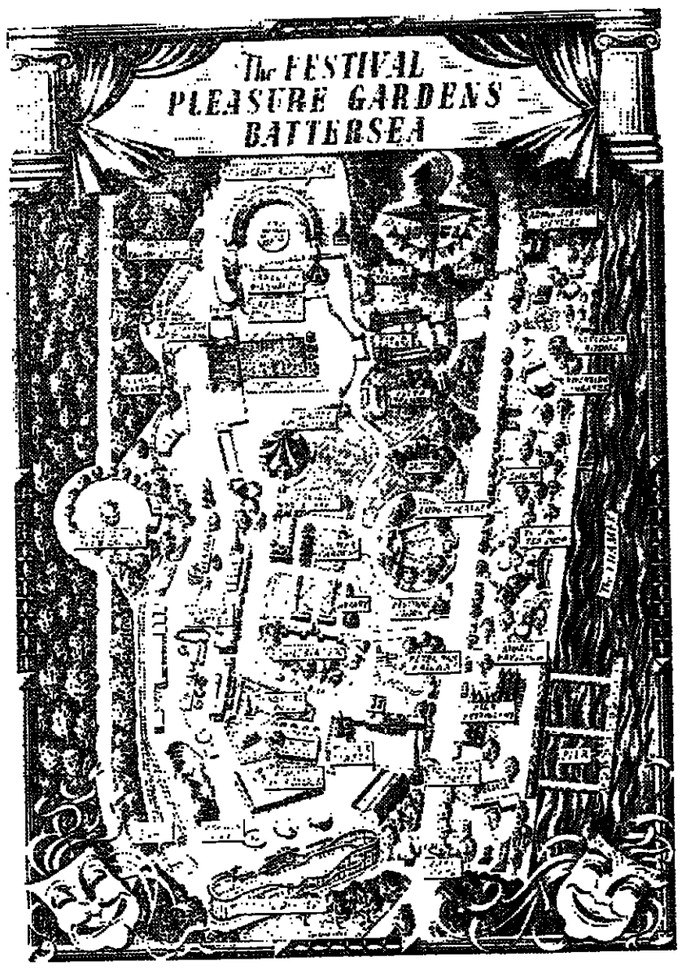
Leisure



Map designed for the 1951 Festival of Britain by Leslie S. Haywood.

Restoring Past Glory To a Park on Thames

By Barbara Rosen

LONDON — When floods of tourists descend on Chelsea for the annual Flower Show, their cars and buses cross the Thames River to park, empty, in Battersea Park.

But in the 19th century, before the Chelsea Flower Show existed, Battersea Park was known far and wide as a capital of horticultural excellence. And now the park's managers plan to ring in the millennium with a major restoration aimed at returning these 200 acres (80 hectares) on the Thames's south bank to its rightful preeminence and popularity.

Battersea Park has emerged from relative obscurity before. A slide that followed World War I was splendidly — and very determinedly — halted with the 1951 Festival of Britain, which put it back on the global map. "Welcome the World!" read the festival guide. "Come, set sail for Battersea and run: Before the fair soft wind of '51. ... Nor, pray, forget the 'sea' in Battersea: Old Father Thames is just behind that tree."

Jennifer Ullman, the park's manager, said, "It was the way that we're all being hyped to go to the Millennium Dome now."

But these days, while the park remains a lovely green oasis that offers something for most age groups (it attracted an estimated 3 million visitors last year), it's largely the locals who enjoy the children's zoo and tennis courts, the boating lake and bowling green, aside from the occasional big event like an ATP tennis tournament in February.

"It's not as yet on the tourist trail," concedes Mike Wilkinson, chief parks officer for the governing Wandsworth Borough Council.

Horticulturally speaking, Battersea Park is far from what it used to be. And leftovers from the 1951 festival stick out like sore thumbs and can literally be tripped over. "Things have been deteriorating for a long time," Ullman said.

That's due to change once more, with what is being billed as the largest single park restoration scheme in Europe — a £10.4 million ($16.6 million), four-year plan financed by the Heritage Lottery Fund and Wandsworth Council.

Wandsworth originally bid, unsuccessfully, for money from the National Lottery's Millennium Fund, proposing such innovations as artist-designed flower displays and steel-and-glass riverside shelters. A subsequent, successful appeal, to the Heritage Lottery Fund, played strongly on the park's historical background.

Park lovers are delighted that innovation lost out.

The Years of Neglect

"It is basically a Victorian park, and it's had years of neglect and change — not all of it for the better," said Elaine Hodges, secretary of The Friends of Battersea Park, a 750-member support and lobbying group. "Most of our members are keen to have the park as a green, tranquil place," she said. Sports facilities and parking lots, will be upgraded, but they will also be concentrated geographically and hidden behind hedges, with prominence given to the Victorian bridges and benches that characterized the strolling and sitting parks of yore.

Festival leftovers, such as the foundations of dance pavilions and teahouses long gone, will be razed. But other festival features —though at odds with the original Victorian layout — have become worth restoring in their own right.

For example, Ullman, an American art historian turned garden restorer and historic administrator, was astonished to discover that the Festival Gardens included one by Russell Page, whom she puts in the top five of this century's landscape designers. Renowned for geometric and highly colorful designs, Page mostly did private homes rather than public spaces.

"I couldn't believe my luck," she said, adding that the park's supporters knew the garden was "important," but "they really didn't know what it was." Half a century ago, the festival planners paid homage to Page's prominence but scant attention to how that would work in the park's Victorian setting: The 5,000-square-meter (53,888-square-foot) area he designed flatly contradicts the park's north-south axis.

"The Festival Gardens had been sort of dropped into the design without any thought to the effect," Wilkinson said.

Today, though the general shape of Page's garden remains, little else does. The garden will not be reoriented, but it will be overhauled from seeds to seats, and the transition from sedate Victorian style to the ornate, more colorful Festival Gardens will be smoothed over visually.

Yet with all this looking back, the park planners have one eye focused firmly forward. Returning Battersea to the height of horticultural excellence means making use of the best that contemporary science has to offer.

Ullman said that John Gibson, the park's first superintendent, was a pioneer in the use of bedding plants — brightly flowered carpets that are rotated with the plants' high seasons. But Gibson's greatest legacy lies in the 25,000-square-meter Subtropical Garden, where he built raised earthworks and warming beds to create an enclosed, yet outdoor, microclimate. There he displayed precious species brought home by globe-trotting Victorians, and dug them up when the weather turned cold.

THE CUTTING EDGE While raised mounds and signposts still designate the Subtropical Garden, the intricate displays are long gone. The restoration plans involve using "cutting edge" garden archaeology to identify the original layout, features and actual plants, and to re-create the garden with hardier species that can stay in the ground year-round, Ullman said.

Battersea Park's restoration is due to finish in 2002, but is being scheduled to take full advantage of the millennium hype. Events such as an international track meet and environmental weekend are planned here. Among the first tasks slated for completion is a new landing stage on the Thames for a projected river bus service that could take visitors all the way to the Millennium Dome in Greenwich.

The one-kilometer Riverside Walk is also being rebuilt, and the embankment wall lowered to re-create at least the rough dimensions of the view Victorians found so pleasing. Still, reminders of modernity will remain all around.

Within the park itself, where the north-south axis meets the river, the enormous, gold-leaf "Peace Pagoda" was a 1985 gift from the Nipponzan Myohoji Order of Japanese Buddhist monks to the then-governing, leftist Greater London Council, before it was abolished by Margaret Thatcher's Conservative government and the park passed under the control of the Wandsworth Borough Council.

Though it interrupts the Victorian vista, the pagoda, too, will remain, (with its caretaker monk), a shining example of the inexorable march of time and, Wilkinson notes with a wry smile, "the GLC's parting shot to Wandsworth."

Barbara Rosen is a free-lance journalist based in London.

Georgia's Rich Spiritual Heritage

By Stephen Kinzer
New York Times Service

TBILISI, Georgia — Cool mist from the nearby Caucasus Mountains enveloped the stately Sveti-tskhoveli Cathedral as a bus full of Orthodox monks pulled up one afternoon last spring. After stepping off the bus, they walked slowly around the cathedral, their chants adding to the evocative spirituality that surrounds this place.

Then the monks entered the cathedral and greeted priests inside. As they offered a benediction beneath the frescoes and towering dome, three young nuns beside the altar sang in lilting harmony. A while later the monks filed out, stopping to kiss gold-framed icons.

A mystic aura hangs over Sveti-tskhoveli, about 25 kilometers (15 miles) north of Tbilisi, the capital of Georgia, and over the many other churches and monasteries that dot Georgia's verdant countryside.

Taken together, Georgia's famous religious buildings constitute a magnificent architectural and ecclesiastical heritage. Their ascetic facades and majestic interiors have made them a central part of the Georgian consciousness, contributing to a sense of nationhood through successive invasions and conquests.

Georgia has not had an easy time of independence, which it declared in 1991 after the breakup of the Soviet Union. A nation of 4.5 million, it has been shaken by civil conflict. Today nearly one-fourth of its territory, including some famous Black Sea resorts, is controlled by separatist groups. These regions are out-of-bounds for most visitors, but much of the country is peaceful.

The tourists who are beginning to arrive in small numbers are rediscovering Georgia's wonders: high mountains and vast meadows, unspoiled villages and a remarkable architectural tradition that reached its peak in dozens of churches, cathedrals and monasteries.

The history of the Georgian Orthodox Church is full of legends as rich and amazing as its edifices. Touches of the secular are often close to the surface. One of the grand columns supporting Sveti-tskhoveli, for example, is ringed with carved grapevines, a vivid tribute to Georgia's age-old love of wine.

On the northern facade is a carving of an arm and hand, with the fingers clutching a bevel. This is not a freemason's symbol, as it first appears, but a reference to an eerie tale from the 11th century, when much of the present cathedral was built. According to the story, a renowned architect named Arsukidze was commissioned to rebuild the original fifth-century basilica. He succeeded, creating what one historian has called a "masterpiece of the early Georgian Renaissance."

But a royal minister who had been Arsukidze's mentor was outraged that his pupil had so brilliantly surpassed him, and ordered his right hand severed as punishment. An inscription above the carving reads: "This is the hand of Arsukidze, servant of God. Pray for him."

That story is only one of many connected with this cathedral. Another is about Sidonia, a first-century convert to Christianity who is said to have died from the emotion that surged through her as she clutched Christ's robe. Sidonia's brother was said to have bought the robe from a Roman soldier, and in death she held it so tightly that it could not be pried from her grasp. She was buried with it beneath what is now the floor of Sveti-tskhoveli.

This story, according to Georgian theology, makes Sveti-tskhoveli the second most sacred place in the Christian world, following only the Church of the Holy Sepulcher in Jerusalem. A scale model of the Holy Sepulcher was built inside Sveti-tskhoveli 700 years ago.

City of Contrasts

Like most foreigners who come to Georgia, I began my trip in Tbilisi, the capital. The main avenue, Rustaveli Prospekt, reflects the city's contrasts, with chic boutiques facing a hotel overflowing with refugees from civil conflicts. The Sioni Cathedral, the seat of Georgian Orthodoxy, is in the old town. There has been a church on this site since about A.D. 600, and most of the existing edifice dates to the 13th century. Its walls and ceilings are completely covered with murals.

A few miles from the Sveti-tskhoveli Cathedral, Samtavro monastery is a tranquil place, a complex of buildings set among grassy groves. I was greeted by a group of nuns sitting outside drinking wine in memory of one of their departed companions. They told me that St. Nino herself had often prayed at this site.

The existing Samtavro church dates from the early 11th century. Frescoes that once covered the walls, like many in Georgia, were whitewashed by 19th-century czarists or 20th-century bolsheviks.

From Samtavro I drove to the top of a high cliff outside Mtskheta, which was Georgia's ancient capital, to visit one of the country's oldest churches. The Dzhvari Church of the Holy Cross was built in the sixth century, supposedly on a spot where St. Nino had overseen the destruction of pagan idols and erection of a Christian cross 200 years earlier. A small gem of early Georgian architecture, not in perfect condition, it has mercifully been left alone by restorers.

Even though Dzhvari is not an intricately ornamented church, its location and sweeping views over the confluence of two rivers and its role as the symbol of Christianity's triumph in Georgia — combine with its austere architecture to make it a deeply memorable place.

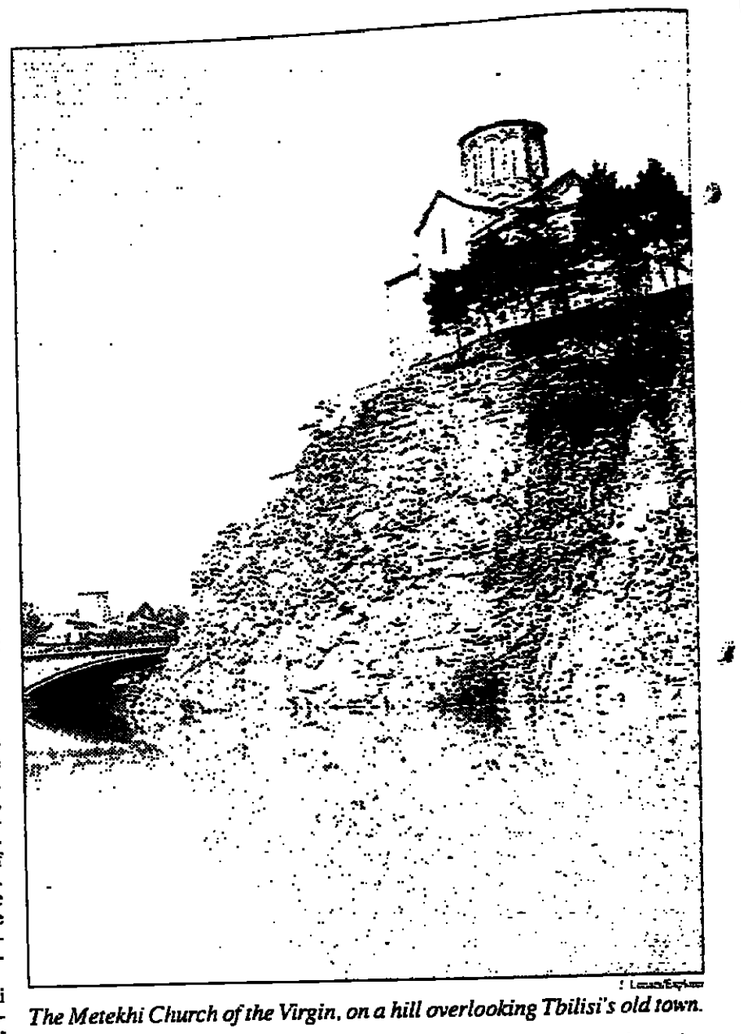
No trip to Georgia is complete without a visit to the ancient wine-growing region of Kakheti, where every village claims to produce the world's finest wine. Before sitting down to sample the local wine, I stopped at the ruins of the sixth-century fortress and cathedral complex at Ninotsminda. The walls, built to protect the complex from Persian invaders in the 16th century, are in fine condition, and what remains of the cathedral is even older than the one at Dzhvari.

Back in Tbilisi, I realized that I had not visited the city's most visible church, the Metekhi Church of the Virgin, which is perched on a rocky hill overlooking the old town.

The 11th, 12th and early 13th centuries were Georgia's golden age. The age was launched by the formidable king known as David the Builder, who defeated Muslim armies and captured Tbilisi but established a policy of religious tolerance and encouraged art and culture that reached a peak under David's great-granddaughter Tamara. She ruled from 1184 to 1212 and presided over an epoch that produced the national epic poem, Shota Rustaveli's "The Knight in the Tiger's Skin."

There has been a church at the Metekhi site since the earliest days of Georgian Christianity. The present edifice, while certainly not the most moving of Georgia's churches, it is perhaps the most symbolic.

Standing under an imposing equestrian statue of King Vakhtang Gorgasali, who ruled in the fifth century and played an important role in consolidating Georgian Christianity, you can see the old town and surrounding hills and gaze out at the towering statue of Mother Georgia, the all-inclusive national symbol. She holds a sword in one hand to symbolize Georgia's will to resist enemies, and a wine goblet in the other to show the pleasures she offers to her friends.



The Metekhi Church of the Virgin, on a hill overlooking Tbilisi's old town.

A. Reffet/Explorer

The capital's medieval old town contrasts strikingly with the modern city of Tbilisi.

Lucerne Festival's New 'Star': A Striking Concert Hall

By Alan Riding
New York Times Service

LUCERNE, Switzerland — It is perhaps a measure of the mysterious power of opera that the summer music festival in Lucerne is far less well-known than those of, say, Salzburg, Bayreuth, Aix-en-Provence and even Glyndebourne. Of these five, Lucerne alone does not present opera, limiting itself to a busy program of concerts and recitals. And that, it seems, suffices to give it a more modest place in Europe's crowded calendar of festivals.

Yet, if judged by quality rather than publicity, Lucerne's International Music Festival is hard to match. The Berlin Philharmonic Orchestra, the Vienna Philharmonic and the Royal Concertgebouw Orchestra of Amsterdam show up here every summer, while this year's four-week festival, which runs through Sept. 16, is also presenting the Los Angeles Philharmonic Orchestra, the Chicago Symphony Orchestra and five other leading ensembles.

Similarly, this year's roster of big-name conductors includes Claudio Abbado, James Levine, Daniel Barenboim, Kent Nagano, Esa-Pekka Salonen, Riccardo Chailly and Lorin Maazel. Further, there are piano recitals by Maurizio Pollini, Andras Schiff and Barenboim, as well as recitals by the violinist Anne-Sophie Mutter and the mezzo-soprano Cecilia Bartoli.

Yet, for all that, the real star of Lucerne's 60th music festival is architecture in the shape of a striking new concert hall. Designed by the French architect Jean Nouvel, it forms part of a $134 million Lucerne Culture and Convention Center, which will include a multipurpose hall, a convention center and a Museum of Fine Arts when completed next year. The concert hall was inaugurated by Abbado and the Berlin Philharmonic Orchestra on Aug. 19.

For this centuries-old city, the ultramodern center, with its glass and multicolored steel facade and its dramatic cantilever roof that projects more than 100 feet (30 meters) beyond the main building, represents a dramatic break with tradition. Standing on the edge of Lake Lucerne, it looks out toward 17th-century houses, an ancient wooden bridge and medieval stone watchtowers.

Had Nouvel's original plan been accepted, the center would have been even more revolutionary. In 1990, he won a competition with a design that would have had the center jutting out on the lake itself, but the city council then asked a Swiss architect, Rodolphe Luscher, who placed third in the competition, to build the complex.

THE WATER FACTOR Two years later, Luscher was dropped and Nouvel was recalled, but on condition that the lake remain untouched. "If I cannot go to the water, the water shall come to me," he decided. And, with that, he designed two channels of shallow water that run through the complex and effectively separate it into three sections.

The 1,840-seat concert hall, though, was to prove his greatest challenge. His brief was to design what is known as a "shoe box" hall — that is, rectangular with a flat ceiling. "This is what conductors and music lovers prefer," he noted. He added four balconies, each with narrow "arms" that stretch along either side of the hall, while four rows of seats were included behind the orchestra below the organ.

But before construction began, Nouvel was joined by the renowned American acoustician Russell Johnson. The connection was fortuitous — while conducting at the Symphony Hall in Birmingham, the festival's director, Mathias Bamert, was impressed by the acoustics designed by Johnson — and would prove felicitous. "I am the guardian of the eye," Nouvel explained. "Russ Johnson is the guardian of the ear."

Apart from including a traditional flexible canopy and identifying the natural reverberance of the floor, stage and walls, Johnson and his Artec Consultants staff introduced heavy pivotal panels covered with hollow geometric motifs on either side of the hall. Depending on the needs of the music, these panels remain closed or can open to any angle up to 90 degrees.

"The audience must be able to hear in every seat," explained Johnson, tapping decades of experience in concert halls around the world. "The conductor and musicians on stage must also hear each other and have a sense of what it sounds like in the hall. The aim is simultaneous clarity with some reverberance. You also have to work very carefully to get the silence right. The acoustician builds his signature on that silence."

After the inaugural concert, comprising Wolfgang Rihm's 1995 composition, "Inschrift," and Beethoven's Ninth Symphony, Abbado gave an enthusiastic thumbs-up to the acoustics. The Welsh bass-baritone Bryn Terfel, who performed in the Beethoven symphony, said the sound in the new hall was "wonderful." Johnson, though, expects to work here for another three years before he is satisfied with the acoustics.

Bamert, the festival's director, could not be happier with the result. And, having run the festival since 1992, the soft-spoken Swiss conductor, also the music director of the London Mozart Players, now feels ready to leave his post here at the end of the year.

BEFORE then, though, to an existing annual Easter Festival, Bamert is adding a new Lucerne Piano Festival from Nov. 19 to 22, all part of a strategy to make as much use as possible of the new concert hall (which will also become the permanent home of the Lucerne Symphony Orchestra). Further, he has organized a symposium, "The Festival in the 21st Century," from Aug. 30 to Sept. 2 this year, to stimulate debate among musicians, cultural managers and politicians over the future of festivals.

With the new facilities, might Lucerne also be bending to the temptation of opera?

"Of course, with a hall like this we can now contemplate putting on semi-staged operas," Haefliger said. "But my main challenge will be to persuade great orchestras and conductors to keep coming here, perhaps even to stay a little longer. I'd also like to influence the programs a bit more. Next year's theme is the myth, the myth at the end of the century."

THE FREQUENT TRAVELER

Businesswomen Want a Fair Deal

By Roger Collis
International Herald Tribune

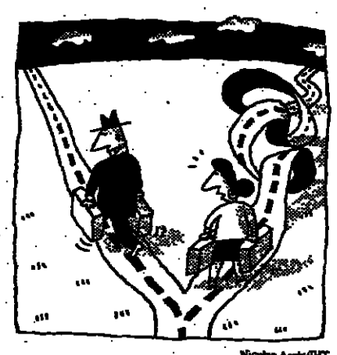
WHEN I first wrote about the problems facing women traveling on business, it was a story of harassment, humiliation, loneliness, discomfort and danger. It was more to do with attitudes: Women did not ask for special treatment, just the same service and respect as their male counterparts.

And there were signs that the travel trade was starting to shape up, abandoning its more egregious practices, such as bawling out room numbers across the lobby, assuming that a man and woman checking in together want a double room or asking a woman to prove she is a registered guest when ordering a drink in the lounge.

Today, it seems, little has changed — according to the results of a survey conducted recently by Total Research Corporation of Princeton, New Jersey. Even though women now account for a growing proportion of business travelers — 40 percent in the United States and more than 20 percent in Britain — they say they are still not getting a fair deal on the road. The survey, to be published in September, reflects the views of 217 women in the United States and 136 in Britain who travel frequently.

Personal safety is an overriding concern among 91 percent of respondents:

- "Airlines should make more secure arrangements for women travelers when planes are delayed or arrive very late at night."
- "Hotels pay scant attention to giving women secure rooms away from stairwells and elevators."
- "Airports should provide a security presence at taxi/shuttle pickups late at night and ensure well-lit, secure parking lots."



Nicolas Asch/IHT

A majority of the women surveyed say they are short-changed on service and amenities, with 66 percent saying that men are treated better — especially by female staff. All airlines receive low image and performance scores, mainly because of "rudeness and lack of help from staff and the perception that men get preferential treatment." On a scale of one to 10, the top airlines in terms of "perceived quality" are Virgin Atlantic (7.29); Swissair (6.90); Lufthansa (6.82); British Airways (6.60). But performance scores were at least one point lower in each case.

The hotels rated best on perceived quality versus performance are: Four Seasons (8.46/7.20); Westin (7.34/6.27); Marriott (7.27/6.29); Hyatt (7.15/6.2). British respondents rated Sheraton (7.27/6.85); Marriott (7.12/6.29) and Radisson (7.1/6.59) most highly for both image and performance.

Car-rental firms score thus: Hertz (6.89/5.51); Avis (6.61/5.39); National (6.32/5.13) and Europcar (6.14/5.27).

David Dyer, marketing director of Total Research in London, said: "I was worried that we'd end up with a whole set of obvious results. I'm not surprised that security comes through as the big issue.

"What is surprising is the strength of the message. There's a mind-set among traveler suppliers that they're delivering what women travelers want, but the reality is, they're not."

Victoria Mather, travel editor of Tatler magazine, said: "I don't particularly worry about security. But I think a woman who is nervous about traveling probably shouldn't stay in one of the great big midrange hotels — they're very anonymous: nobody knows you. Go somewhere small or expensive with a good concierge and staff who can watch out for you."

Some improvements are in progress, however.

Summit International's Royal Park Hotel in Tokyo has opened a check-in desk for women travelers with a female clerk who can advise on entertainment and dining venues.

London is getting a new chain of "female-friendly" bars called The Fine Line. Fuller Smith & Turner, independent brewers who own many of the capital's pubs, believes that women want a particular kind of pub: one that is light and airy and comfortable, offering both bar and table service and a varied menu.

The first two Fine Lines opened in July at 33-37 Northcote Road, Battersea, and 236 Fulham Road. Another four are due to open by the end of the year.

MOVIE GUIDE

REGENERATION
Directed by Gillies Mackinnon. U.K., Canada.

After serving heroically during the first part of World War I and winning a medal for bravery, the British poet Siegfried Sassoon famously experienced a change of heart. In 1917, feeling that the war was no longer one he could sanction, he wrote a declaration that cited his objections, a document that was read aloud in Parliament. Because of this, Sassoon faced a choice between being court-martialed or being sent to a mental hospital. Urged to do the latter by his comrade Robert Graves, he entered Craiglockhart Hospital, a castle just outside of Edinburgh, with his defiance undimmed. Based on the novel by Pat Barker — the first in a World War I trilogy that culminated in the Booker Prize-winning "The Ghost Road" — and adapted thoughtfully by Allan Scott, Gillies Mackinnon's "Regeneration" is about the experiences of Sassoon and a number of shell-shocked soldiers in this institutional setting. It's also about the profound ways in which the doctor who treats them, William Rivers (Jonathan Pryce), is affected by what he sees and hears. Rivers is greatly changed by his debates with Sassoon and several other patients. One of them is Wilfred Owen (Stuart Bunce), encouraged by Sassoon to write the stinging war poetry for which he became posthumously celebrated. Though "Regeneration" has been ready for a while, it now arrives alongside "Saving Private Ryan" to delve vividly into the experience of the battlefield and the moral questions that combat engenders. And if this literate, subtly acted film also pales somewhat in comparison to its more spectacular Hollywood counterpart, it stands out as a stirring and articulate exploration of warfare and its consequences. With battle remembered by the traumatized soldiers as a panorama of muddy horrors, and hauntingly captured by Mackinnon, "Regeneration" addresses difficult questions about what these men can and should do with their futures. The film presents a catalogue of psychic war wounds, from the sudden muteness and memory loss suffered by Ry Prior (Jonny Lee Miller of "Trainspotting"), a tough and embittered working-class soldier, to the damage that subjects another soldier to electroshock therapy. Meanwhile, these men also attempt to make sense — or, in Owen's case, even art — of what they have been through. And Rivers finds himself increasingly shaken in his certitude that he can cure such deep-seated injuries or even that he should. The film's best moments present the intense debate that ensues between Sassoon and the doctor throughout their shared interlude. James Wilby, best known here for his starring role in "Maurice," gives Sassoon a dignity and forcefulness that lend urgency to his qualified pacifism. And Pryce makes a thoughtful, moving Rivers, a man whose crisis of conscience rises to a par with that of the poet. *(Janet Maslin, NYT)*

Alliance

"Regeneration," based on the first book in Pat Barker's World War I trilogy.

TOKYO EYES
Directed by Jean-Pierre Limosin. Japan.

Foreigners' films about Japan are few, and most are as Japanese as a Chinese restaurant — Peter Greenaway's "The Pillow Book," for example. Limosin's is not much more authentic, but it tries harder. Shot on the streets of a grungy Tokyo suburb, it is about a young dropout videotaper who decides just who should die and who should not. He zeros in on a young girl who spots him from the police composite sketch and decides to use him to brighten up her otherwise mundane life. Much more interesting than its mundane text (Limosin originally intended to film in Europe) is the unintended subtext that a foreign sensibility cannot help but bring to an ostensibly Japanese milieu. While an American director might have played up the element noir and ended on a chase, the Frenchman finds lots of bright Demy-esque colors (the cameraman was Jean-Marc Fabre), many a picturesque aside (drunken salarymen in the subway), much lyricism à la Lelouch about young love on the run, and ample pretentions about the real and virtual, the raw and the cooked, the signified and signifier, etc. There is a consequent strangeness about the picture (actors and directors did not speak the same language, the young people display French mannerisms on the street), which is not unattractive and which can lead to anthropological reflection. As a European view of Japan, however, it shows mainly Europe. *(Donald Richie, IHT)*

RECORDINGS

- **ROBERT WYATT**, "Rock Bottom," "Ruth Is Stranger Than Richard," "Old Rottenhat," "Nothing Can Stop Us" (Rykodisc): The drummer with Soft Machine, the first and possibly the best jazz-rock fusion band of them all, Robert Wyatt was the first to sing from behind a drum kit while playing in 11/4 time. Respected historians claim that he was also the first drummer to perform topless. Wyatt is a cult figure nonpareil. Cult heros appeal out of all proportion to a segment of the population that is too small, smart or weird for mass marketing. But when childlike, minimal albums like this thrive year after year for as long as 25 years, and when they include other cult heros like Brian Eno, Mike Oldfield and Fred Frith, well, then, all bets are off. Or on.

- **CHRISTIAN MCBRIDE**, "A Family Affair:" (Verve): Everybody's favorite new young bearer of the acoustic bass standard, McBride has not raised the electric bass funk flag. What's more, he appears to be of the opinion that we will all salute. His commitment commutes far and wide. In the post-Jaco storius '70s the electric bass was at bottom of choice. Political correctness gradually shifted until the late '80s when electric bass players went totally out of the loop. Now, as circles are wont to do, this circle has closed. As John Cage said, we have the Mona Lisa and the Mona Lisa with a mustache too. There are also vocals and electric keyboards and the more you hear the more you want. A milestone.

Mr Zwerin/IHT

GOOD TRAVEL DEALS

Sophie Delacre

AIR NEW ZEALAND	Singapore to New Zealand	Round-trip economy tickev between Singapore and New Zealand (Northbound or Southbound) costs 999 Singapore dollars ($563). Until Oct. 31.
ALITALIA	Britain to Seychelles	Round-trip fare from London Heathrow or Gatwick for £519 ($850). Minimum stay six days/maximum stay four months. For departures between Sept. 15 and Oct. 31. Trailfinders (44-171) 938-3939.
BRITISH AIRWAYS/ MALAYSIAN AIRLINES	Britain to Malaysia	Seven-night package from London Heathrow to Penang (BA to Kuala Lumpur and domestic flights to Penang on Malaysian Airlines) for £389 ($636) per person based on twin-share includes accommodation on Ferringhi Beach. For departures until Nov. 30. Bookings must be made by Sept. 30. Trailfinders (44-171) 930-3939.
CATHAY PACIFIC	Asia-Pacific	Free stopovers in Hong Kong available. Until Sept. 15.
GULF AIR	Middle East to Europe	Falcon Club FFP members can claim a Hertz car for seven days with unlimited mileage when they buy a full-fare ticket from the Gulf to London, Paris, Frankfurt, Amsterdam or Rome.
LUFTHANSA/ SHANGRI-LA HOTELS	Europe-Asia	Miles and More members traveling first- or business-class to any of the airline's eight Asian destinations where Shangri-La has a hotel and qualify for 'Top-up' Status Miles and for a Lufthansa Frequent traveler Card. This provides priority wait-list status, access to airport lounges of Lufthansa and its five Star Alliance partners and priority check-in, even when you travel economy. Pay corporate or rack rate at Shangri-La for an upgrade to the Horizon Club. Until Oct. 15.
UNITED AIRLINES	London to New York	Save 33 percent on normal first- or business-class fare from London Heathrow to JFK or Newark by making a day trip. For example: The 8.55 A.M. flight to JFK arrives 11.45 A.M. Depart JFK at either 9 P.M. or 10 P.M., arriving back in London the next morning.
WHERE TO STAY		
PARK HYATT	Tokyo	"City Spa Vacation" rates from 26,500 yen ($184) per night in a "deluxe" room, use of Club on the Park, and breakfast or lunch at Girandole restaurant. Until Dec. 28 (except Dec. 18 to 25).
GRAND HYATT	Berlin	Opening rates from 280 Deutsche marks ($155) for a "deluxe" room. From Oct. 3 to Feb. 28.
THE RUBENS HOTEL	London	The Rubens, which overlooks Buckingham Palace, offers a two-night "Weekend at the Palace" package for £299 ($490) for two people sharing a "deluxe" double room. Includes English breakfast, dinner on one evening of your choice and afternoon tea on one day; with VAT and service. Until Oct. 4. (44-171) 834-6600.
MONTAGUE/ RUBENS/ CHESTERFIELD HOTELS	London	"Shopping Weekend" packages for £150 ($240) per night for two people sharing a 'deluxe' double room includes welcome bottle of champagne, a map of London and traditional English afternoon tea. From Sept. 14 to Dec. 18.

Although the IHT carefully checks these offers, please be forewarned that some travel agents may be unaware of them, or unable to book them.

ARTS GUIDE

BELGIUM

ANTWERP
Hessenhuis, tel: (3) 206-0350, closed Mondays. **Continuing/** To Oct. 11: "L'Art Non Conformiste d'Union Soviétique, 1956-1986." After Stalin's death in 1953, nonofficial artists were allowed to exhibit their works: Surrealism, expressionism, photo-realism and conceptual art flourished.

BRITAIN

LONDON
National Gallery, tel: (171) 747-2885, open daily. **Continuing/** To Oct. 11: "Venice Through Canaletto's Eyes." The splendor of Venice's festivals, regattas and other ceremonies in the paintings and drawings of the 18th-century Italian artist.
www.nationalgalerie.org.uk
National Portrait Gallery, tel: (171) 306-0055, open daily. To Nov. 15: "Diana, Princess of Wales: Photographs by Terence Donovan." A display of 15 photographs by Donovan (1936-1996), that were taken at four official sittings between 1986 and 1990.
www.npg.org.uk

FRANCE

PARIS
Musee d'Art Moderne de la Ville de Paris, tel: 01-53-67-40-00, closed Mondays. **Continuing/** To Sept. 19, 1999: "La Collection du Centre Georges Pompidou: Un Choix." A selection of works, from the Fauves to Dubuffet.

SAINT-PAUL-DE-VENCE
Fondation Maeght, tel: 04-93-32-81-63, open daily. **Continuing/** To Oct. 18: "Otto Dix." A selection of paintings, drawings, sketches and engravings by the German artist (1899-1970).

GERMANY

MUNICH
Kunsthalle der Hypo-Kulturstiftung, tel: (89) 22-78-17, open daily. To Nov. 15: "Gauguin and the School of Pont-Aven." More than 100 works by the artists who gathered around Gauguin at the end of the 19th century in Brittany, France. The artists, including Emile Bernard and Paul Serusier, worked in watercolor and oil, explored printmaking techniques, and painted walls and furniture.

ITALY

FERRARA
Palazzo dei Diamanti, tel: (532) 20-99-88. **Continuing/** To Aug. 30: "Thomas Gainsborough." Paintings and drawings by the 18th-century British artist.

JAPAN

TOKYO
National Museum of Modern Art, tel: (75) 761-4111, closed Mondays. To Sept. 20: "Shikanosuke Oka." A celebration of the centennial of the Japanese artist's birth, with more than 100 paintings, whose Pointillist technique, acquired during the artist's stay in France, creates a serene and dreamy atmosphere.
www.momak.go.jp
Orchestra Filarmonica della Scala. Under Riccardo Muti, the Orchestra performs at Suntory Hall (Sept. 2 and 3, tel: (3) 3505-1001) and Tokyo Metropolitan Art Space (Sept. 4, tel: (3) 5391-2111).

NETHERLANDS

AMSTERDAM
Rijksmuseum, tel: (20) 573-2911, open daily. To Oct. 18: "Bellange: An Unconventional Etcher." Graphic oeuvre by the artist from Alsace, in France, who worked as a painter at the court of the Duke of Lorraine from 1602 to 1616.

SWITZERLAND

LAUSANNE
Fondation de l'Hermitage, tel: (21) 320-50-01, closed Mondays. **Continuing/** To Oct. 11: "Futurisme, 1909-1944: L'Italie Face a la Modernite." Paintings, sculptures and works on paper by Italian Futurist painters Balla, Boccioni, Carra, Russolo and Severini.

TAIWAN

TAIPEI
Taipei Fine Arts Museum, tel: (2) 2565-7656. To Sept. 6: "North Asian Biennal." A survey of the major art trends and tendencies of the moment in Japan, South Korea, Taiwan and China. It features works and site-specific installations by Nobuyoshi Araki, Tatsuo Miyajima, Chen Zhen, Ho Chungming and Xu Ming.

UNITED STATES

NEW YORK
Museum of Modern Art, tel: (212) 708-9400, closed Wednesdays. **Continuing/** To Oct. 13: "Bonnard." Nearly 100 landscapes, still lifes, interiors and the celebrated bath paintings, by the French painter (1867-1947).
www.moma.org

WASHINGTON
National Gallery of Art, tel: (202) 737-4215, open daily. **Continuing/** To Sept. 20: "Manet, Monet and the Gare Saint-Lazare." The works, by Caillebotte, Manet and Monet, were painted during the late 19th century, at the time when the Saint-Lazare train station symbolized a new modern energy.
www.nga.gov

CLOSING SOON

AMERICAS
Aug. 30: "Songs on Stone: James McNeill Whistler and the Art of Lithography." **Art Institute of Chicago.**
Aug. 30: "From Object to Icon: The Art of Assemblage." **Museum of Fine Arts, Houston.**
Aug. 30: "Unknown Terrain: The Landscapes of Andrew Wyeth." **Whitney Museum of American Art, New York.**
Sept. 2: "Peggy Guggenheim: A Centennial Celebration." **Solomon R. Guggenheim Museum, New York.**

ASIA
Aug. 30: "The Spread of Buddhist Art in Asia." **Nara National Museum, Nara, Japan.**
Aug. 30: "Art of Amitabha's Pure Land." **Ho-Am Art Museum, Yongin, South Korea.**
Aug. 31: "Boijmans van Beuningen Museum: Art of the 20th Century." **Isetan Museum, Tokyo.**

EUROPE
Aug. 30: "Arte Povera from the Goetz Collection." **20er Haus, Vienna.**
Aug. 30: "Scrolls from the Dead Sea." **Art Gallery and Museum, Kelvingrove, Glasgow.**
Aug. 30: 'Picasso: Die Geheime Sammlung." **KunstHausWien, Vienna.**
Aug. 30: "The World as a Great Symphony: Mikalojus Konstantinas Ciurlionis, 1875-1911." **Wallraf-Richartz-Museum, Cologne.**
Aug. 30: "From Tempera to Oil Painting: Changes in Venetian Painting." **Rijksmuseum, Amsterdam.**
Aug. 30: "Paul Delvaux." **Fundacio Caixa de Catalunya, Barcelona.**
Aug. 31: "Diseno Industrial en Espana: Un Siglo de Creacion e Innovacion." **Museo Nacional de Arte Reina Sofia, Madrid.**
Aug. 31: "Jacques Lipchitz." **Jardins du Palais-Royal, Paris.**

MIDDLE EAST
Sept. 1: "In the Light of the Menorah." **Israel Museum, Jerusalem.**

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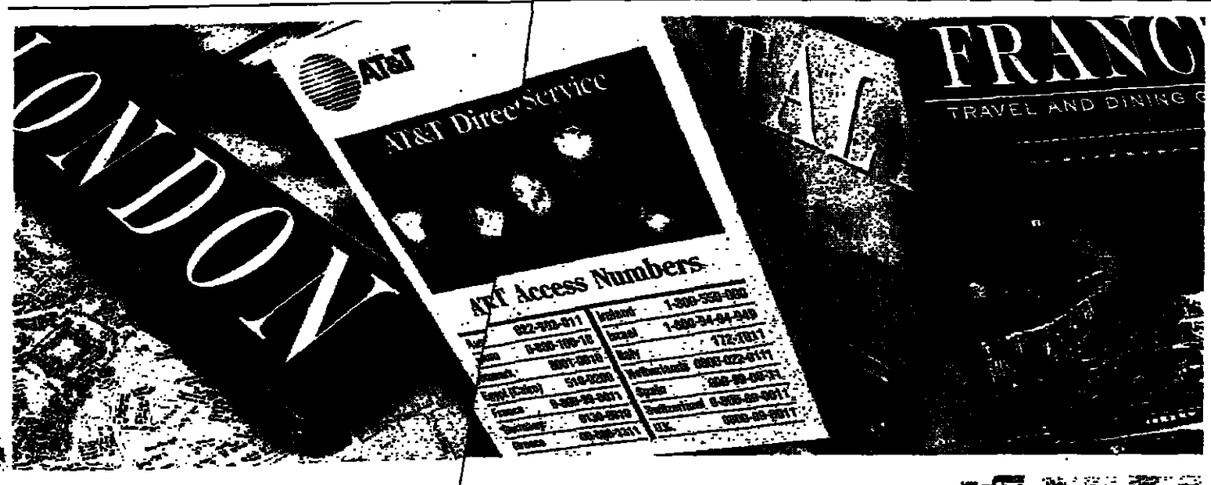

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Emerging Markets / *The Challenge to Investors*

On Exchanges Around the World, Declines Show No Sign of Bottom

By Jonathan Fuerbringer
New York Times Service

NEW YORK — The collapse in the world's emerging stock markets — the Thailands, Polands and Russias — has been breathtaking. Not since these markets began to attract strong investor interest at the end of the 1980s have they had such a sharp decline, one that wiped out so many years of gains.

Their plunge over the last year, worldwide, now outranks that during the Mexican peso crisis of 1994-95 and that during the Gulf War of 1990-91. Without a quick rally, August will be the worst month for stock markets in developing economies since 1988, when their performance began to be tracked in index form. So far this month, these markets have lost 20 percent of their value. Since the Asian financial crisis began in July 1997, they have erased all their gains back to December 1991, according to the Morgan Stanley Capital International emerging markets index.

A second index, that of International Finance Corp., a member of the World Bank Group, has the markets declining to where they were in February 1992.

"Anyone who has tried to pick the bottom has been destroyed," said Ron Chapman, head of international equities at Dreyfus Corp., who has had his own fingers burned.

Near-panic selling in disregard of a country's economic fundamentals is causing many investors and stock analysts to reconsider whether these markets are sensible for even the hardy long-term investor, the kind who has accepted volatility in exchange for large potential gains.

And the risks seem to be growing, with Russia's deepening economic crisis pulling the far healthier Latin American stock markets down with it.

The latest phase of the Russian crisis is also exposing another, possibly more damaging, fault line: a collapse in the prices of emerging-market bonds. It is in the global capital markets that emerging-market countries in Eastern Europe, Asia and Latin America borrow to meet government financial needs.

If that borrowing becomes very expensive, investors will worry about the ability of Latin American countries to pay off their debts and to cover their trade deficits, which are already at worrisome levels. That, in turn, will put more pressure on the currencies, forcing countries to raise their interest rates to defend their exchange value. Such developments could rapidly undermine a country's otherwise stable economic fundamentals.

Emerging nations are already paying a lot to get investors to buy their securities. The difference, or spread, between the yield on emerging-market debt and U.S. Treasury securities has jumped by nearly 6 percentage points, to 13 percentage points, according to the J.P. Morgan emerging-market bond index.

Only after the Mexican peso crisis erupted in December 1994 has the spread widened so fast. At the peak of that crisis in 1995, emerging markets were paying on average 19 percentage points more than the United States did on its Treasury securities.

Mexico, of course, did not default on its debt, with considerable aid from the United States and other industrial nations.

But the refusal of the International Monetary Fund, the United States and its economic partners to rescue Russia before it essentially devalued the ruble two weeks ago and defaulted on some debt has caused a serious reassessment of the risks in all emerging markets.

"Does the system now have a lender of last resort?" asked Desmond Lachman, head of emerging-markets research at Salomon Smith Barney and a former official of the International Monetary Fund. "Bulgaria didn't fail, Thailand didn't fail, Indonesia didn't fail. But now Russia fails." For troubled economies, he said, "the IMF and the Group of Seven are no longer then as a backstop."

As this view takes hold, emerging-market bonds may come under even more intense pressure.

For now, investors still interested in these markets must wait until the frantic selling ceases. And this will not happen until hedge funds and other money managers who have big losses in places like Russia stop selling to raise cash.

Having borrowed to make many of their bets even bigger, they need cash to pay off their loans. In some cases, that means selling stocks in Latin America, where markets have more liquidity, as well as in other regions.

The disclosure on Wednesday that George Soros, the legendary hedge-fund operator, lost $2 billion in Russia in the past year shows how great the damage may be.

"Emerging markets have become more a game for speculators and traders — and a nightmare for dedicated long-term investors," said Robert Pelosky Jr., global emerging-markets strategist at Morgan Stanley Dean Witter. "In the short run, fundamentals don't seem to matter."

But even after the dust clears, many investors are likely to balk at plunging back into emerging markets despite analysts' estimates of great opportunities at such prices.

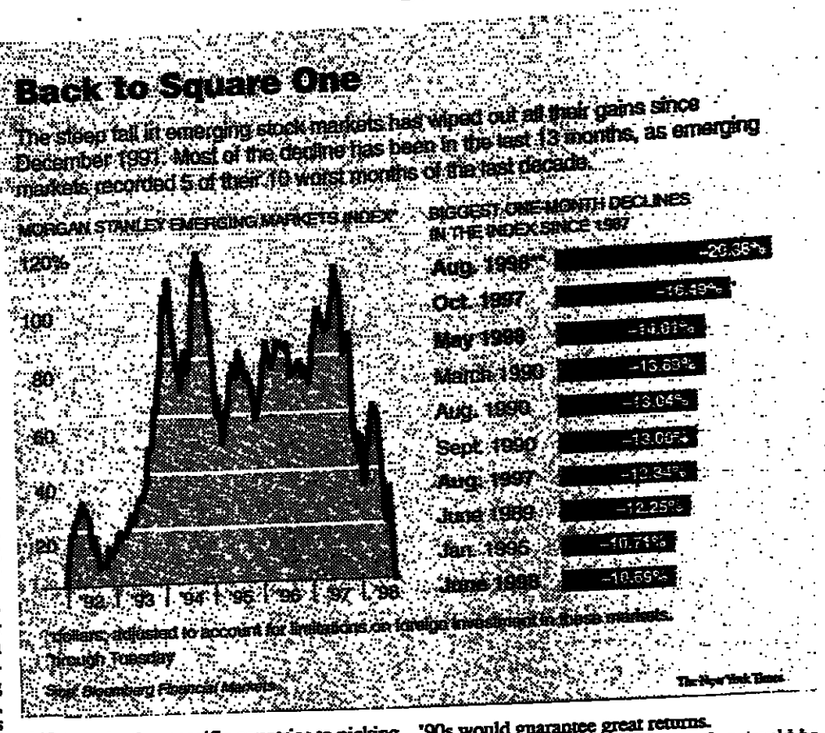
"There has to be some new management system for these crises," said Gary Kleiman, senior partner at Kleiman International Consultants, a research and advisory firm in Washington. Without a new international system for containing currency crises and the fallout that often follows, Mr. Kleiman said, it will be hard to persuade his institutional clients to bet on emerging markets.

"There is little upside and too much downside risk for those who can't afford to leave their money there for five years to 10 years," he said. "It is probably better just to leave."

Mr. Pelosky of Morgan Stanley said he thought that emerging-market investors would shift from selecting specific countries to picking specif companies. "The game is going to be very derent," he continued, "in the next two to three yrs."

In thoast, investors have jumped in on economic tential — betting, for example, that the rapid grth and low inflation in Asia in the early '90s would guarantee great returns.

But in the future, he said, investing would be based more on "what this company does and how does it compare to its competition." This nitty-gritty approach fits with the long-term hope for emerging markets: that economic fundamentals will again determine the winners and losers.



Latin American Markets Hurt by Russia and Asia

Distant Disasters Undo Benefits of Reforms

By Sam Dillon
New York Times Service

MEXICO CITY — Russia's devaluation of the ruble last week has sent panic throughout the world's emerging markets, with the Latin American economies likely to be among those that suffer the most.

The events have pummeled the region's markets, caused currencies throughout the region to drop and forced interest rates so high that some bankers are urging customers not to borrow. Analysts are lowering what had been healthy growth estimates for Latin America for next year and perhaps beyond.

The market turmoil is being compared to the most painful financial disasters in memory, including the regional debt crisis that plunged dozens of Latin countries into recession in 1981 and took more than a decade to untangle.

On the plus side, no one is yet predicting long-term economic disaster on that scale.

In many Latin countries, reforms such as the privatization of state-owned enterprises, the overhaul of banking systems and the establishment of private pension systems have strengthened local economic resilience. Barring further unforeseen disasters, analysts still expect the region to grow this year. Warburg Dillon Read is predicting regional growth of 2.8 percent in 1998, down from 5.2 percent last year.

But what may be most frustrating in Latin financial capitals is that, today, far-off contingencies — like whether China devalues the yuan or Japan reforms its economy — seem likely to have as much influence on market stability as the actions of Latin America's own beleaguered policy-makers. Indeed, this year's Latin malaise has come largely from Asia.

"After Mexico's devaluation in 1994, people feared the crisis would spread to other regions, but it didn't," said Gray Newman, the senior Latin American economist at Merrill Lynch & Co. "Things calmed down. The difference between then and now is that today contagion is alive and with us. The difficulties in Japan and Russia are moving to Venezuela and Mexico."

Investors have been fleeing Latin markets for months. The Venezuelan stock market has plunged by 65.69 percent for the year, to a 29-month low. The Mexican bolsa is down by 41.38 percent; if losses from the declining peso are taken into account, it is down by 52.48 percent for the year. Shares have dropped by 41.45 percent in Brazil this year, by 45.75 percent in Argentina and by 34.08 percent in Chile.

Almost all the indices in the region fell on Thursday.

Latin America's Brady bonds also have lost ground because traders, disappointed by the terms of Russia's local debt restructuring, have unloaded Latin holdings.

David Malpass, the chief international economist at Bear, Stearns & Co., pointed to similarities between the current panic across Latin America and the situation in 1981, when high real interest rates in the United States and plunging worldwide commodities prices sent the region into a tailspin.

"Some aspects of the current situation resemble the 1981 crisis, which was a time of impending doom for Latin America," Mr. Malpass said.

"But there are reasons to be less pessimistic about the current environment. The U.S. economy is growing today, whereas in the early 1980s we were in deep recession. And economic policies in most Latin countries are much better today than they were in 1981."

The financial turmoil has been greatest in Venezuela, where plunging oil prices have worsened a chronic budget deficit and raised fears of a currency devaluation. On Friday, as thousands of Venezuelans sought to exchange bolivars for dollars, the government said the bolivar would be allowed to trade toward the bottom of the band set by the central bank to regulate exchange rates.

Faced with a potential assault on its currency, the Venezuelan government needs to husband its $14 billion in foreign reserves. As it tries to raise cash to finance its deficit, interest rates have shot up to by more than 60 percent.

A volatile Venezuelan presidential campaign, in which one leading candidate has suggested that the country ought to stop making payments on its foreign debt, has also alarmed investors.

In Brazil, speculators have begun a new assault on the real. The government fended off a similar attack last year. Brazil has amassed $70 billion in foreign currency reserves.

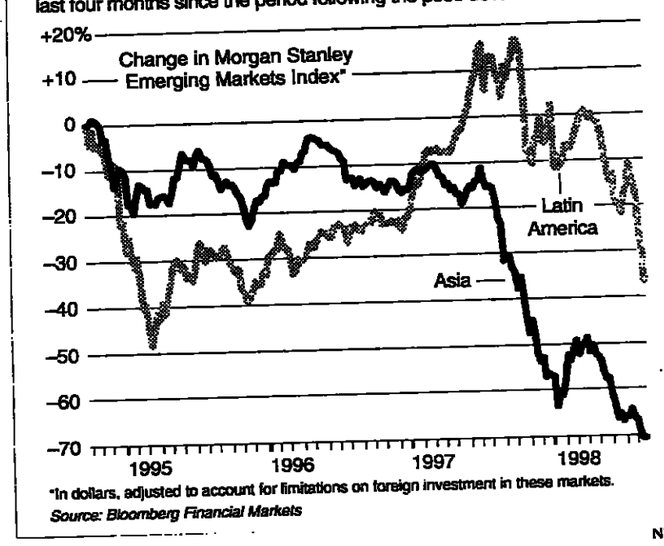
But the Brazilian picture, too, is roiled by the uncertainty of a presidential campaign. Polls suggest that President Fernando Henrique Cardoso will be re-elected on Oct. 4. That is what investors hope.

So far, the biggest casualty among currencies has been the Mexican peso, which has fallen by 21.7 percent this year, to 10.19 American cents.

The fall in the peso has been accompanied by a surge in interest rates. On Tuesday, the yield on Mexico's benchmark 28-day treasury bill surged by 516 basis points, to 27.16 percent, its highest level in 20 months.

In reaction, the head of the Mexican Banking Association urged potential borrowers to avoid taking out loans. "Rates are too high, so I've told bank customers to wait a few weeks until this market overreaction dies down," said Carlos Gomez y Gomez.

The trouble in Mexico is being fed by the plunge in oil prices and by continued haggling between political parties over accusations of corruption in a banking scandal. But until last week, some analysts were still predicting growth by more than 4 percent next year.



As Stock Markets Gyrate, A Rush to Buy Treasuries

Investors Scoop Up Bonds in Flight to Quality

By Albert B. Crenshaw
Washington Post Service

WASHINGTON — Investors seeking refuge from the gyrations of the stock market are turning in droves to bonds — but not just any bonds. Here and abroad, investors are signaling that only the safest will do, and that means U.S. Treasury securities.

Late last week, spooked investors gobbled up Treasury paper so eagerly that yields, which move in the opposite direction of bond prices, fell to their lowest levels in almost 30 years. Yields are the interest bonds pay by their maturity dates.

Treasury debt is paying around 5 percent (tax-exempt from state and local taxes), which is about what U.S. bank certificates of deposit are paying — and which may seem anemic compared with recent stock market returns or even interest rates of just a few years ago. But that has made trade-off for perhaps the most reliable security in the world today.

"The flight to quality" has punished holders of almost all other types of bonds. Investors in bond mutual funds, other than those holding primarily Treasury paper, have seen their shares sink in recent days, reflecting the declining market value of the securities in their funds' portfolios.

The economic turmoil in Russia and Asia has trimmed bonds from these and other emerging markets. But low-rated U.S. corporate "junk bonds" and, to a lesser extent, high-grade corporates have also slumped as investors evidently fear that the woes from abroad will spill over into U.S. markets.

"Some of the things that are concerning the stock market are concerning corporates," said William Hornbarger, a debt strategist with A. G. Edwards Inc.

"In this market it has been the case that you are to own quality, particularly in recent weeks," Mr. Hornbarger said. The risk premium — the difference between corporates and Treasuries — has widened dramatically."

Traditionally, it has been interest rates that are the major mover of bond prices. When interest rates decline, bond prices rise; when rates rise, prices fall. For most of this year, interest rates have been moving lower on a favorable inflation outlook, and bondholders have seen the value of their holdings rise.

Mr. Hornbarger and some other analysts said they believed bonds, both corporate and Treasury, could be an attractive place later in the year, for several reasons.

First, there is growing pressure on the Federal Reserve Board to lower interest rates. Though the Fed chairman, Alan Greenspan, continues to voice inflation worries — which would argue for higher rates — others see little sign of rising inflation and note that real interest rates — interest rates after subtracting inflation — remain high. The question then is whether the economy is more in need of restraint or stimulus, and several experts said they see the odds beginning to tilt in favor of stimulus, though not immediately.

"The Fed should ease sooner rather than later, but likely will ease later rather than sooner," said Edward Yardeni, chief economist at Deutsche Bank Securities Inc.

Second, the U.S. economy seems fundamentally sound, as do many of the country's large corporate bond issuers. If their debt securities turn out to be artificially depressed, they should pay an artificially high interest to holders who buy them at low prices, and the prices themselves should bounce back when the dust settles.

Third, some analysts think the country is entering a deflationary period, in which prices for many goods will steadily decline. While the overall economy continues to show stable-to-rising prices, commodity prices have been declining sharply in recent weeks.

Deflation might hurt many stocks by restricting companies' ability to raise prices and thus profits, making bonds more appealing. And just as inflation tends to favor debtors, by allowing them to repay loans with ever cheaper dollars, deflation favors creditors such as bondholders, who get back dollars that are more valuable than those they lent out.

There's another reason for some individual investors to look at bonds, experts say. The run-up in stock prices last year and this year has thrown some people's asset allocations off. The rise in equity values has made stocks a larger-than-intended portion of the portfolio, possibly introducing more volatility into it than the investor is comfortable with.

Stocks historically have provided greater returns than bonds, but they are more subject to short-term ups and downs. Hence, bonds traditionally have served as a refuge for investors seeking to escape the stock market's volatility, but recently bonds other than Treasuries have also been buffeted by world events.

Deflation might hurt many stocks by restricting companies' ability to raise prices and thus profits, making bonds more appealing.

Potential bond investors have several choices in how to go about it.

Bond mutual funds offer ease of purchase, a modest minimum investment, low fees (in some cases) and instant diversification, because mutual fund portfolios hold a large number of different issues.

But their shares are constantly repriced to reflect the value of the securities in the portfolio, so that investors ride up and down with the bond market.

Investors can also buy whole bonds. While these securities' prices also rise and fall with the market, an investor who intends to hold them to maturity can ignore that. Whole bonds are riskier because they are less diversified, and they are more cumbersome to buy and sell.

For the investor seeking stability, several experts said, a package of short- to medium-term Treasuries is attractive, especially because the Treasury lowered the minimum purchase to $1,000 on all its marketable debt. The yield curve now is unusually flat, meaning that the interest rates of longer-term securities are only slightly higher than those of shorter maturity.

The Treasuries can be liquidated at maturity if the investor finds something better to do with the money, or simply rolled over if the outlook remains uncertain.

Bail Out or Tough It Out?

Hard Choices for Investors in High-Risk Funds

By Robert O'Harrow Jr.
Washington Post Service

NEW YORK — As Russia's economy deteriorates and Asia's financial flu continues to spread to Latin America, the values of emerging-market mutual funds are plunging like a landslide. A number of funds that specialize in those high-risk markets have lost approximately 20 percent of their value in recent weeks.

A handful, including the Govett Latin America Fund, have slid 40 percent or more since January, while the Lexington Troika Dialog Russia Fund, which specializes in Russian investments, has plummeted a whopping 79 percent since this troubled year began.

Such dismal returns pose a vexing dilemma for investors: Bail out now and avoid more bloodletting? Or tough out the downturn, and maybe even use it as an opportunity to buy at bargain-basement prices?

"The negative performance in emerging-markets funds has been accelerating," said Robert Adler, president of AMG Data Service, which tracks mutual funds. Even so, investor money flowing out of such funds has not increased substantially since early June. "The question," he said, "is how much pain do these investors need to experience before they bolt?"

Whatever choice investors make, money managers and analysts caution against doing anything rash, such as pulling out of a fund altogether or pouring money in. That's because no one — not even the most savvy professionals — can know for sure how the economic crisis will resolve itself.

Pulling out of a fund that has lost half of its value means saying good-bye permanently to money that might be recouped if the fund rebounds later.

On the other hand, bargain hunters who pour a large pool of cash into a depressed fund now might be depressed themselves to find the fund continuing to lose value.

"I would be careful," said Rosellen Papp, a money manager at L. Roy Papp and Associates who helps to oversee about $1.2 billion in investments. Although she cautions investors to do homework before making decisions, Ms. Papp said they may find deals that are hard to resist. "I wouldn't buy today, but I think the worst" in Asia is over.

Mark Seaman, director of mutual fund research at Legg Mason Inc., agreed. "No one really knows where the bottom is going to be," he said. But he urged investors to hang on to what they have and keep a close watch out for a turn in overseas markets that could signal a buying opportunity.

Mr. Seaman said investors should not lose faith in their long-term objectives because of a downturn, even a decline as sharp as the one currently afflicting the emerging-markets sector.

"When they go through something like this, they start to question whether they have the stomach for it," Mr. Seaman said. "My personal feeling is, when you have the market down this much, it does represent an opportunity."

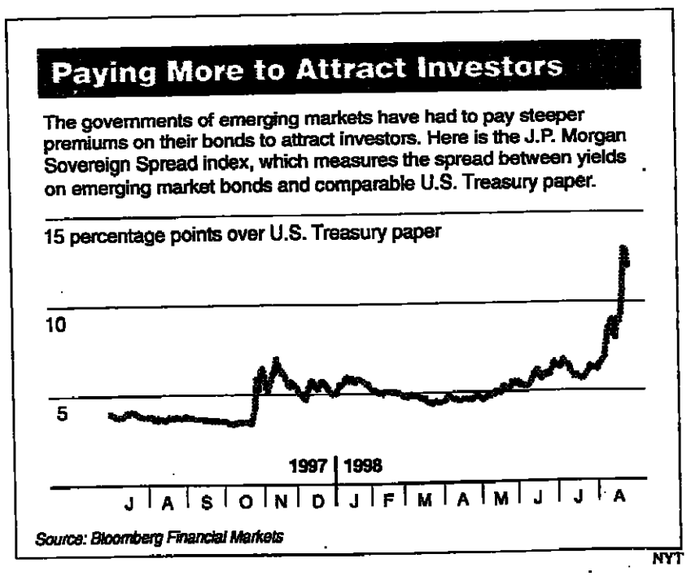
Gary Greenberg, the chief international investment officer at Van Eck Global, said investors need to be thinking far ahead when making decisions now. One important question to ask themselves, he said, is whether they believe Japanese officials will make meaningful reforms of that country's beleaguered banking system.

As Japan's economy goes, he said, so goes much of the world. Mr. Greenberg said he thought enough would be done in Japan to stimulate Asia and, eventually, the other markets. So, he plans to continue buying and encourages others to do so.

"Emerging-markets equities are unbelievably cheap," he said. "I think we're at the edge of a trough here and in maximum panic, and we're going to bounce back."

No matter when investors choose to jump back in, they should invest a bit of their money at a time, Mr. Greenberg and other money managers said. By buying shares in a mutual fund every month, investors lower the risk of the investment over time. This method is known as dollar-cost averaging.

"I don't think it's wise to put all your money in right now," said Arthur Bonnel, money manager for U.S. Global Investments. But investors who ease slowly into emerging-markets funds could make out well in the long run, he said. "You will be very amply rewarded."



FOR INVESTMENT INFORMATION
Read
THE MONEY REPORT
every Saturday
in the IHT.
Herald Tribune

Russia Crisis Hits Index of Commodities

Compiled by Our Staff From Dispatches

CHICAGO — A major index of commodity prices fell to a 21-year low Thursday as the mounting financial problems in Russia raised a prospect of rising exports of raw materials such as crude oil and gold, and at the same time fewer imports of things like sugar and grains.

With Russia's supply of dollars drying up and its banking system virtually paralyzed, commodity traders feared the crisis compounded a slump in demand already weakened by the financial crisis in Asia.

"Russia obviously is not going to be a key source of demand," said Roger Norem, senior grain analyst with AgriVisor Services Inc. in Bloomington, Illinois.

The Bridge-Commodity Research Bureau index fell 2.74 points, or 1.4 percent, to 195.38, the lowest level since October 1977.

The index of 17 commodities, such as crude oil, corn and cattle, is down more than 14 percent this year and 26 percent since reaching an eight-year high of 263.79 in April 1996.

"The focus is on Russia and the risk there is on the downside still," said Ian Morris, an international economist at HSBC.

"Everyone is looking at safe havens so they are piling out of commodity countries and commodity currencies."

Crude oil led the decline, falling almost 4 percent to the lowest price this week.

Russia, the world's third-largest oil producer and one of the biggest exporters, could increase exports to raise cash, traders said.

Increased supplies of oil and metals from Russia would have an impact on an already glutted world market, which has seen prices go down 33 percent from just a year ago.

Russia's central bank has the ninth-largest gold reserves in the world and the country is the sixth-largest producer. The economic crisis could force the central bank to sell gold to pay off debt, analysts said. *(Bloomberg, Reuters)*

Anat Givon/The Associated Press

Investors checking up on stock prices in Hong Kong on Thursday. The government intervened to buy stocks, pushing the index to close higher.

Earnings Plungein Hong Kong

3 Major Firms Report Sharp Declies in Profit as Recession Deepens

Compiled by Our Staff From Dispatches

HONG KONG — CITIC Pacific Ltd., a trading company controlled by Beijing, and the two flagship companies of the Hong Kong tycoon Li Ka-shing announced dismal results for the first half Thursday as the city continued to slide into recession.

CITIC Pacific Ltd. said net profit for the six months ended in June plunged 71 percent, to 1.79 billion Hong Kong dollars ($231.1 million) from 6.14 billion dollars, as revenue fell to 7.18 billion dollars from 8.52 billion dollars.

Cheung Kong (Holdings) Ltd. and Hutchison Whampoa Ltd., the main companies controlled by Mr. Li, both announced record declines in first-half earnings.

Despite the poor results, shares in the three companies did not lose ground as the Hong Kong government again poured money into the market. The benchmark Hang Seng index rose 88.57 points, or 1.1 percent, to 7,922.97, making it the only major index worldwide to gain ground on a very gloomy day for stocks.

CITIC's shares rose 20 cents, to 10.55 dollars; Cheung Kong's shares were unchanged at 34 dollars, and Hutchison's shares rose 30 cents, to 38.50 dollars.

Cheung Kong, one of the city's largest property developers, said net profit fell 78 percent. Hutchison Whampoa, whose businesses range from ports to retailing, said earnings fell 45 percent.

Mr. Li said a recovery would not come easily.

"It's been terrib," he said. "The second half will cotinue to be difficult and challenging."

For the first x months, Cheung Kong — the largt property company in the Hang Seng dex by capitalization — said profit felo 3.02 billion dollars from 13.78 billi dollars a year earlier. Hutchison said rst-half profit fell 45 percent, to 4.3 billion dollars.

Both decline eflected Hong Kong's deepening recsion.

Unemploymt is running at a 15-year high of 8 percent, home prices have fallen t almost 50 percent in a year, retail ss have fallen more than 10 percent mth after month this year.

The bad conomic news comes as a big shock in economy that has grown at an avera annual pace of about 5 percent sinc 1991.

While Hchison is being mauled by the proper slump, its container-port business islso being dented by Asia's economic owdown. Slumping currencies acroshe region mean less goods are being ipped from beyond Asia.

Meanwile, rising competition in Hong Kg's telecommunications industry h reduced profit margins and threatensrevenue growth at Hutchison's telemmunications unit.

"Likmost other Hong Kong companies, Chng Kong and Hutchison are victimsf the crisis," said Trevor Cheung of LSA Global Emerging Markets.

Cheg Kong shares have lost about 31 percent since the end of December, while Hutchison is down about 17 percent this year. While that compares to a 25 percent decline in the 33-stock Hang Seng index, Mr. Li's companies are still facing the worst earnings slide in their history.

The extent of the slowdown in Hong Kong will become even more apparent Friday, when a government report is likely to show that the economy shrank at an annual rate of as much as 5 percent during the second quarter.

In the stock and futures markets, meanwhile, the government is trying to hold back a rising tide of selling. In the past two weeks, the Hong Kong Monetary Authority has spent billions of dollars buying stocks to deter investors who bet against equities and the Hong Kong currency, among the last in Asia still tied to the dollar.

(Bloomberg, Reuters, AFP)

■ Government Buys Even More

Bets against Hong Kong stocks surged Thursday as the government bought more than 18 billion dollars' worth of stock in its boldest step yet to hurt short sellers who are betting against equities and the Hong Kong currency, Bloomberg News reported.

On Thursday, sales of borrowed stock surged to 1.73 billion dollars, more than four times the daily average so far this month.

See RESULTS, Page 17

Canada Bank Raises Rates to Shore Up Flagging 'Loonie'

By Anthony DePalma
New York Times Service

TORONTO — After weeks of hesitation, the Canadian central bank finally raised interest rates by a full percentage point Thursday in an attempt to halt the slide of the Canadian dollar, which has lost more than 10 percent of its value against the American dollar this year.

Despite the rise in interest rates to 6 percent, the Canadian dollar again fell to below 64 American cents, leading many analysts to question the effectiveness of the central bank's actions and to worry about its impact on the national economy. In 4 P.M. New York trading Thursday, the Canadian dollar was at 63.31 U.S. cents, down from 63.87 U.S. cents at the close Wednesday.

"I don't think it will help at all," said Jeffrey Cheah, an analyst with Standard & Poor's MMS. "Consumer confidence is already at very low levels because the currency is depreciating almost every day. This will just compound the lack of consumer confidence in Canada."

On Thursday, the benchmark Toronto Stock Exchange 300 index ended down 5.5 percent, at 5,836.10.

John McCallum, chief economist at the Royal Bank of Canada, said the central bank had wanted to avoid raising rates because the economy was slowing.

The Canadian dollar — called "a loonie" because the one-dollar coin bearthe image of a common loon — had en battered by a contraction in the comodities market and problems in Asiand Russia.

"hat's when the Bank of Canada sai 'Enough is enough,'" Mr. McCalm said.

anada's largest banks quickly folloed suit and raised prime lending ras 1 percent to match the central bk's move.

The Bank of Canada indicated in a statement that the continuing slide in the value of the loonie represented a diminishing confidence in Canadian investments. "Today's increase in interest rates is aimed at providing support for the Canadian dollar in order to bolster confidence," the statement said, "while preserving monetary conditions that will help to sustain the present noninflationary expansion of the economy."

The rate increase was the first in more than eight months.

JAMES K. GLASSMAN ON INVESTING

Time to Buy Battered U.S. Bank Stocks?

WASHINGTON — U.S. bank stocks are getting massacred, brutally and indiscriminately.

In just a month, Citicorp has fallen more than $40; Banc One Corp., the powerful Midwest regional, is off 30 percent, and BankAmerica Corp. has skidded from $100.125 to $73.25.

The main reason is the financial crisis that seems to be spreading from developing markets in Asia, Russia and Latin America to the rest of the world. But have frightened investors overdone it?

Robert Albertson, banking analyst for Goldman Sachs & Co., thinks so. On Monday he called the tumble in bank stocks "an extreme overreaction" and said, "There's no direct emerging-market exposure that would support this kind of damage."

He called Chase Manhattan Corp., the country's largest bank, "an extraordinary opportunity" for investors. Chase is down 22 percent from its July 6 high and now trades at a price-to-earnings ratio of 14, based on estimates of 1998 profits.

Joel Silverstein, of Prudential Securities Inc., agrees that the pessimism is unwarranted. This week, he told clients to buy Banc One, First Union Corp. and NationsBank, which announced a merger with BankAmerica earlier this year and has dropped 22 percent since July 14.

But this enthusiasm from analysts has not helped. Bank stocks declined again Thursday. Asia and Russia seem to have been the catalyst, reminding investors that bank stocks have risen very far very fast (the Standard & Poor's financials index rose 51 percent in 1995 and 42 percent in both 1996 and 1997) and that it may be time for an adjustment to reality.

Two concerns, especially:

- Banks have been paying high prices to gobble up other banks. The consolidation of this absurdly fragmented industry has been a good thing, leading to enormous cost savings and better management. But some acquirers have clearly gone overboard.
- Interest-rate developments have been ominous. Rates have been dropping, which is usually good for banks because it reduces their own borrowing costs and boosts the value of their bond portfolios. But most of the decline is taking place at the long-term end of the spectrum, causing what is called an "inverted yield curve" — short-term rates higher than long-term rates — which is often a harbinger of recession.

Banks make a living by borrowing "short" and lending "long." But, as Caroline Baum of Bloomberg News writes, "When a bank has to fund a loan at a higher rate than it's earning on the loan, it doesn't lend."

The question for investors is whether the Great Bank Massacre is an opportunity to buy or a warning to wait. You will have to decide for yourself, but many of the bargains certainly appear enticing for long-term investors.

The best of the bank analysts, Thomas Brown, whose candor — he actually told clients he disliked certain banks, including First Union — is believed to have been a factor in his departure this year from Donaldson Lufkin & Jenrette Securities Corp. and who now works for Tiger Management, the hedge fund, argues that banking is undergoing "revolutionary, not evolutionary, change" and that, while some managements are well-equipped for the new, more competitive environment, many are not.

Investors should be making choices among good and mediocre banks, but, instead, bank stocks tend to move up and (lately) down in unison.

The market is not even discriminating between banks with a lot of Asian and Latin American exposure and those with a little. As a result, Tom Goggins, portfolio manager for two John Hancock financial funds — Regional Banks and Financial Industries — says, "We find very attractive values at these levels." He is buying banks that are primarily domestic, such as Wachovia Corp. of Winston-Salem, North Carolina, and Union Planters Corp. of Memphis, Tennessee.

As for Mr. Brown, in his report last year for DLJ, "The Future of Banking," he recommended Chase; First Chicago NBD Corp., which later said it would merge with Banc One, Norwest Corp. of Minneapolis, which is down 29 percent from its high; and Wells Fargo & Co., the San Francisco bank, which announced a merger with Norwest. Mr. Brown also gave high marks to smaller Centura Banks Inc., based in Rocky Mount, North Carolina, which also has been beaten up this year.

If you cannot determine quality yourself, there are always bank stock mutual funds. Some funds with good track records: Fidelity Select Regional Banks, which has held its losses this year to less than 1 percent; Sife Trust, down 4 percent this year; Davis Financial, with a portfolio that also includes broader financials, such as American Express Co., and even a few consumer stocks, such as Philip Morris Cos.; and PaineWebber Financial Services Growth.

Washington Post Service

Serving Up the 'IMF Menu' in Seoul

South Korea's gross domestic product fell 6.6 percent in the second quarter of this year from the second quarter of 1997, the Bank of Korea reported Thursday. The decline marked the second consecutive quarter of negative growth, the definition given by most economists for recession.

John Dodsworth opened offices in Seoul in March as senior represen tative for the International Monetar Fund, monitoring how well the coun try was living up to the requiremen set by the IMF in piecing together rescue package of nearly $60 billic last December. Mr. Dodsworth di cussed South Korea's economy al outlook Thursday with the Intern tional Herald Tribune's Don Kirk.

Q&A / John Dodsworth

Q. Why does the economy appeao be suffering even more now than it December when the IMF pieced gether its rescue package?

A. The external situation is ry much worse than people expecte It appears to extend across the who of Asia, and Russia is a further fator. Japan is clearly crucial.

Q. What about increased expos as a solution?

A. In the past Korea could exprt its way out. That's what it's been god at over the years. The previous scario would have had exports plaag a prominent part. Domestic confence and consumption would be etter. When you have bleak outsic conditions, it's hard to get conence. Ultimately, you're much lessertain about an external stimulus to lp Korea to get out of the crisis.

Q. Are large companiesnaking matters worse by not importir the raw materials and capital goods eded to produce finished products frexport?

A. The main exports are n liquid at this point. If they have exrts they can sell, if there is dema, they're going to bring in the impor Over the years they've taken big isks, and they've done really well.

•

Q. What's stopping the now from exporting so effectively?

A. The markets have bn shrinking most of all in Asia, andiere's much more competition for rkets in the United States and Euro.

Q. What can the govnment do to improve matters in Sou Korea?

A. We're encouragg the government to expand its fisc deficit. It can spend it mainly on helng the workers who are unemployeand in public works — anything wh will generate more employment d create more consumption.

Q. What can the vernment do for the people who havlost jobs?

A. In the first h of the year, the targets were not m, particularly for the unemployed.

One of the thigs is for the government to spend social safety. The employment insunce scheme covers 30 percent of t labor force. The maximum durati of benefits is seven months.

Q. Does the overnment have the funds to increa welfare benefits?

A. They have the money. There's no problem in having resources. The problem is having sufficient capacity, in particular for those who fall outside the social welfare system. I think they will want to give this priority.

How quickly they can do it is the question. They're on the right track, but it's still got a long way to go.

Q. How about restructuring institutions?

A. Substantive changes are painful. The first priority is to carry through the banking system reform and reform of the nonbank financial institutions. There need to be less banks, better run and better managed, less workers and fewer branches.

Bank mergers per se will not save the situation, but a bank merger combined with real change in the operation of the bank plus some form of recapitalization is a good model for restructuring the banking system.

•

Q. Are the big *chaebol*, or conglomerates, still getting loans from their favorite banks?

A. There should be much better credit appraisal. They have learned some lessons about credit appraisal. That's why much of the banking system is under criticism, for not extending credit. The risk in lending to the biggest chaebol is much less than lending to your friend down the road. The big chaebol get most of the credit.

Q. People here are always talking about the "big deal" — mergers among companies belonging to the major chaebol — as a solution to the problem of oversized and unprofitable companies. Is the "big deal" the answer?

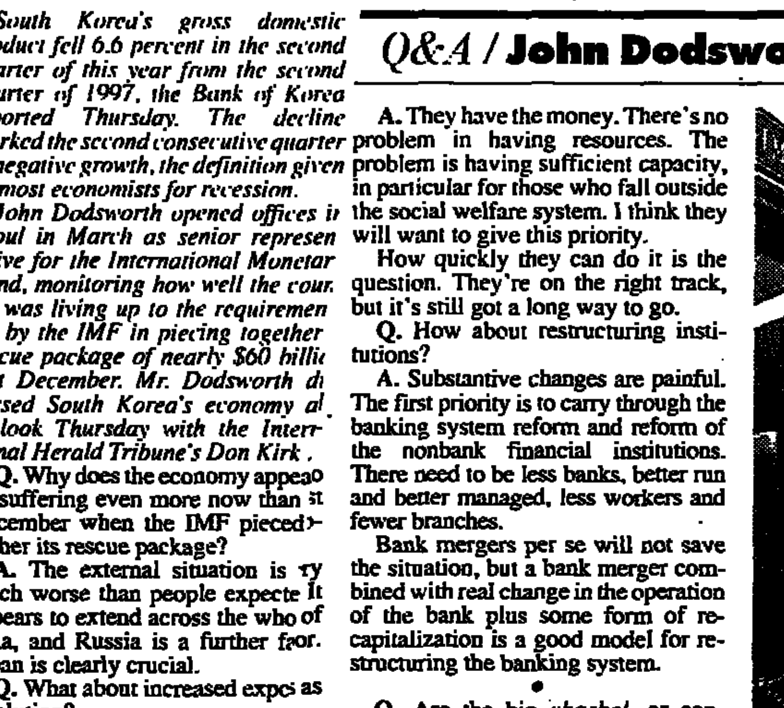
A. There should be more of an emphasis on the debts not just of the big-five chaebol but of all the chaebol. That's the key to the banking sector restructuring. If you continue to have highly leveraged corporations, you continue to have banking problems. These two aspects of restructuring are very closely related. You start off with the banks which can place pressure on the debtors. The two things have to come up together. Somewhat in the lead is bank restructuring.

Q. Somehow, after chaebol go bankrupt or apply for receivership or whatever, they remain in business. How long can the money-losers survive after they have supposedly failed?

A. You will see much more in terms of restructuring of the chaebol to reduce the nonprofitable ones. The bankruptcy laws have been changed so it is possible to move more quickly through that bankruptcy procedure. It's much better to get rid of anybody who is inefficient.

Q. Will companies be able to lay off workers without encountering great union resistance, as was the case at Hyundai Motor Co.?

A. More layoffs are unavoidable. The labor market was not developed at all in Korea. The law now gives rights to both sides. Probably enough has been done in terms of the legal situation. Unemployment here entails a lot more hardship than elsewhere, but it's difficult to see how companies can survive, can maintain the same labor force if the demand for their products falls away.



Yun Suk Bong/Reuters

John Dodsworth of the IMF.

Q. How has the government been doing in terms of opening up the economy to foreigners?

A. They made great steps in the first six months. The liberalization measures were very radical in the Korean context, opening up the stock market and the bond market, allowing foreigners to own land, allowing hostile M&As. They put together a liberal framework for allowing foreign investment.

Q. Foreigners are not buying that much. Why not?

A. There is less in the way of resources. They would like to see more coming in. It's not the ideal circumstances within which to attract foreign investment.

Q. How do you feel when you hear Koreans talking about "the IMF crisis" as if the IMF were responsible for it?

A. There's an undercurrent that the IMF in some way is to blame. By diverting attention from anything wrong to begin with, you're putting the solution further away. Almost anything bad happening gets the epithet "IMF." I have a problem with that. It's an attempt to divert from the crisis.

Q. How do you feel when you see signs advertising "IMF sale" and even "IMF lunch?"

A. I go for the IMF menu every time.

CURRENCY & INTEREST RATES

Cross Rates

Aug. 27

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	2.0085	3.3585	1.1279	0.3364	0.1148*	—	5.4685*	1.362	1.428*	1.2915	1.3285*
Brussels	37.28	61.45	20.6202	6.1515	2.0877*	18.2875	—	24.88	0.2611	23.47	24.7875*
Frankfurt	1.8068	2.9775	—	0.2983	0.1013*	0.8868	4.8488*	1.2042	1.267*	1.1478	1.1779*
London (a)	1.6465	—	2.9762	9.9786	2,938.76	3.3563	61.398	2.4633	234.9891	2.4823	252.7049
Madrid	153.564	253.261	84.904	25.325	8.60*	75.292	4.1168	102.548	107.766*	97.44	—
Milan	1,783.58	2,936.80	987.15	294.40	—	875.30	47.86	1,188.00	12.48	1,130.30	11.628
New York (b)	—	1.6550	1.7957	6.005	1,776.80	2.026	37.86	1.482	141.80	1.5795	154.80
Paris	6.0638	10.001	3.3526	—	0.3386*	2.9730	0.1626	4.0803	4.2553*	3.8476	3.949*
Tokyo	143.75	236.85	79.55	23.73	8.807	70.59	3.857	95.48	—	91.75	0.9324
Toronto					Not available						
Zurich	1.4943	2.4683	0.8264	0.2465	0.0832*	0.7327	4.0062*	—	1.047*	0.9463	0.974*
1 ECU	1.8919	0.6621	1.9749	6.6211	1,949.84	2.2271	40.7388	1.6351	155.597	1.7288	167.673
1 SDR	1.3265	0.8049	2.3967	8.0436	2,368.34	2.7055	49.4416	1.9897	190.683	2.0912	203.686

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers: New York and Toronto rates at 4P.M.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9999	Greek drac.	312.54	Mex. peso	9.755	S. Afr. rand	6.39
Australian $	1.7889	Hong Kong $	7.7482	N. Zealand $	2.0547	S. Kor. won	1307.80
Austrian sch.	12.713	Hung. forint	226.00	Norw. krone	8.0393	Swed. krona	8.332
Brazil real	1.1683	Indian rupee	42.49	Phil. peso	43.54	Taiwan $	34.81
Chinese yuan	8.2795	Indo. rupiah	11100.	Polish zloty	3.78	Thai baht	41.63
Czech koruna	33.37	Irish £	0.7173	Port. escudo	184.93	Turkish lira	277840.
Danish krone	6.879	Israeli shek.	3.7442	Russ ruble	N.Q.	UAE dirham	3.6725
Egypt. pound	3.4245	Kuw dinar	0.3069	Saudi riyal	3.7525	Venez. boliv.	577.38
Fin. markka	5.5029	Malay. ring.	4.2028	Sing. $	1.775		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6460	1.6431	1.6407	Japanese yen	142.20	141.58	140.96
Canadian dollar	1.5745	1.5746	1.5747	Swiss franc	1.4949	1.4900	1.4847
Deutsche mark	1.8032	1.8000	1.7967				

Sources: ING Bank (Amsterdam); KBC Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates

Aug. 27

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 1/2 - 5 5/8	3 7/16 - 3 9/16	1 1/2 - 1 5/8	7 5/8 - 7 3/4	3 7/16 - 3 9/16	5/16 - 3/8	4 1/16 - 4 3/16
3-month	5 1/2 - 5 5/8	3 7/16 - 3 9/16	1 9/16 - 1 11/16	7 11/16 - 7 13/16	3 7/16 - 3 9/16	5/16 - 3/8	4 - 4 1/8
6-month	5 1/2 - 5 11/16	3 1/2 - 3 5/8	1 5/8 - 1 3/4	7 5/8 - 7 3/4	3 1/2 - 3 5/8	5/16 - 3/8	3 15/16 - 4 1/16
1-year	5 1/2 - 5 5/8	3 5/8 - 3 3/4	1 13/16 - 1 15/16	7 1/2 - 7 5/8	3 9/16 - 3 11/16	5/16 - 3/8	3 15/16 - 4 1/16

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Price	Today	Prev
Discount rate		5.00	5.00
Prime rate		8 1/2	8 1/2
Federal funds		5 1/2	5 9/16
90-day CDs (deal)		5.58	5.57
180-day CP (deal)		5.40	5.40
ML 30-day R-A		5.03	5.03
	Price	**Yield**	**Prev**
3-month T-bill	4.84	4.96	5.05
1-year T-bill	4.77	5.00	5.10
2-year T-note	100-12	4.91	5.11
5-year T-note	101-14	4.91	5.06
7-year T-note	113-06	5.08	5.20
10-year T-note	104-07	5.06	5.20
30-year T-bond	102-07	5.35	5.42
Japan		**Close**	**Prev**
Discount rate		0.50	0.50
Call money		0.41	0.41
1-month interbank		0.60	0.60
3-month interbank		0.65	0.65
6-month interbank		0.67	0.67
10-year Govt bond		1.38	1.37
Germany			
Lombard rate		4.50	4.50
Call money		3.50	3.43
1-month interbank		3.45	3.45
3-month interbank		3.50	3.50
6-month interbank		3.59	3.58
10-year Bond		4.23	4.25

Britain		
Bank base rate	7 1/2	7 1/2
Call money	7 1/16	7 11/16
1-month interbank	7 5/8	7 11/16
3-month interbank	7 11/16	7 11/16
6-month interbank	7 5/8	7 5/8
10-year Gilt	5.36	5.50
France		
Intervention rate	3.30	3.30
Call money	3 3/8	3 3/8
1-month interbank	3 7/16	3 7/16
3-month interbank	3 9/16	3 9/16
6-month interbank	3 1/2	3 1/2
10-year OAT	4.32	4.36

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

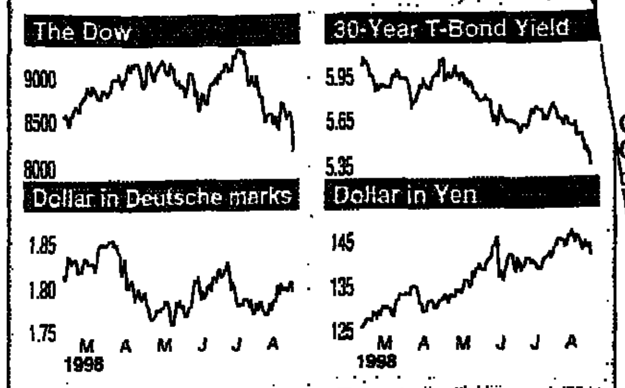
	A.M.	P.M.	Ch'ge
Zurich	N.A.	278.75	—5.85
London	280.90	278.50	—4.65
New York	285.70	280.10	—5.80

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices: New York Comex (Dec.)

Source: Reuters.

THE AMERICAS

Investor's America



Exchange	Index	Thursday @4PM	Prev. Close	% Change
U.S.	The Dow	8165.99	8523.35	-4.19
U.S.	S&P 500	1042.51	1084.19	-3.84
U.S.	S&P 100	515.81	536.79	-3.91
U.S.	NYSE Composite	518.82	539.56	-3.84
U.S.	Nasdaq Composite	1686.41	1768.09	-4.62
U.S.	AMEX Composite	608.99	633.83	-3.92
Toronto	TSE Index	5798.38	6168.30	-6.00
São Paulo	Bovespa	6616.72	7347.74	-9.95
Mexico City	Bolsa	3055.71	3253.16	-6.07
Buenos Aires	Merval	361.06	404.01	-10.63
Santiago	IPSA General	3351.64	3482.91	-3.77
Caracas	Capital General	2985.90	3225.91	-9.92

Source: Bloomberg, Reuters — International Herald Tribune

Chancellor Deal to Form U.S. Radio Giant

Compiled by Our Staff From Dispatches

DALLAS — Chancellor Media Corp. will buy Capstar Broadcasting Corp. in a deal worth $4.1 billion, creating the largest radio broadcaster in the United States, the two Texas-based companies said Thursday.

The transaction will consolidate the radio holdings of Hicks, Muse, Tate & Furst Inc., a buyout company that is the largest shareholder of both Chancellor and Capstar.

It also continues the consolidation in the radio broadcasting industry triggered by the Telecommunications Act of 1996, which ended the limit of 20 AM and 20 FM stations that one company could own nationally.

The newly merged company will be the leader in total radio stations and weekly listeners, with 463 stations in 105 U.S. markets and 65 million weekly listeners. The companies said the combined entity would have annual revenue of about $2.3 billion. Capstar already had the most stations of any radio broadcaster.

Hicks, Muse will own 25 percent of Chancellor's stock. It currently owns 15 percent of Chancellor and 59 percent of Capstar.

The deal's $4.1 billion valuation includes Chancellor's assumption of $1.8 billion of Capstar debt and preferred stock. Each Chancellor common share will be exchanged for one share in the new company, and each Capstar share will be exchanged for 0.48 share.

Chancellor shareholders will own 66 percent of the new company, while Capstar shareholders will own 9 percent. Capstar shares closed down $2.1875 at $19.3125 on Thursday, and Chancellor shares fell $2 at $42.75.

Thomas Hicks, *chairman of both* Capstar and Chancellor as well as chairman and chief executive of Hicks, Muse, will serve as chairman of the new company. Jeffrey Marcus, president and chief executive of Chancellor, will retain those posts.

"It has been a long-term professional and personal goal of mine to create the nation's largest radio and broadcasting entity by all measures," Mr. Hicks said.

(Reuters, Bloomberg)

■ CBS to Sell Radio Stock

CBS Corp., the subject of merger rumors, said that it would sell 20 percent of its radio operations to the public, The Associated Press reported from New York.

CBS plans to create a separate radio and outdoor advertising company called Infinity Broadcasting, the name of the radio company CBS acquired two years ago. The company believes that the radio business will be more warmly embraced on Wall Street if viewed separately from its struggling television network.

The CBS radio group, which distributes shows of stars such as Howard Stern and Don Imus, has 155 stations.

Trans Union Told to Stop Selling Data To Marketers

By David Segal
Washington Post Service

WASHINGTON — Trans Union Corp., one of the largest credit reporting bureaus in the United States, has been ordered by a Federal Trade Commission administrative law judge to stop selling personal financial data to cataloguers, telemarketers and other target marketers.

Judge James Timony, who presided over an administrative trial, wrote that Trans Union "invades consumers' privacy when it sells consumers' credit histories to third-party marketers without consumers' knowledge or consent."

The commission had contended that Trans Union violated the Fair Credit Reporting Act. Trans Union is one of three American companies that furnish credit reports to banks and other lenders trying to assess the creditworthiness of consumers. The Chicago-based company has also generated revenue by selling information to retailers.

Executives at Trans Union, who have been fighting with the FTC on this issue since 1992, said they were not surprised by the ruling and would appeal. Under agency rules, the company must appeal to the five commissioners at the agency. If it loses, it can take its case to the U.S. Court of Appeals.

Trans Union has for years been the only credit bureau to sell information to target marketers. In 1991, Equifax Inc. abandoned the practice. Experian Corp., then called TRW Inc., later signed a consent decree with the agency in which it, too, promised to stop the practice.

But executives at Trans Union refused to fall in with their competitors, arguing that regulators were seeking to impinge their First Amendment rights to free speech. They also argued that because the information the company sells does not reflect on creditworthiness, it is not violating the Fair Credit Reporting Act.

MARKETS: *World's Stock Indexes Plunge as Russian Crisis Takes Its Toll*

Continued from Page 1

"If you look at the fundamentals at most of these banks, the fundamentals are good," he said. Even if the banks have *to write off most of their* exposure, he added, that would only reduce their earnings, not lead to a systemic bank failure. "A 15- to 20-percent drop *in earnings is not* going to tank a bank," he said.

Rosemary Sagar, head of the global investment division of U.S. Trust Corp., agreed that Russia's problems by themselves would not cause a global financial meltdown, noting that the country's trading links with the rest of the world were not large.

"I think everyone has really overreacted to the Asia crisis," she said. "Russia accounts for 1.5 percent of European exports."

She said she did not think the improving Western European economies would fall into recession because of the latest developments, though the Russian situation would "add a little more deflationary pressure." Ms. Sagar said that together the United States and Western Europe accounted for two-thirds of the world economy, and she noted that both were growing, albeit at modest rates.

But she said she was worried that if investors in these markets panicked, their fear could bring about an economic decline.

"If the markets turn excessively sour," she said, "then it can become a self-fulfilling prophecy."

Mr. Chen was far less optimistic, forecasting a worldwide recession. He said the current situation bore similarities to the Great Depression, where commodity price declines preceded the wider economic contraction.

"Whenever you have this kind of deflationary overproduction cycle," he said, "you need somebody who is willing to reflate." If the Federal Reserve Board was willing to cut American interest rates, he added, that could alleviate the crisis, but he did not expect it to do so.

Yet there are pressures on the Fed to reduce short-term interest rates. Its target for the overnight interbank loan rate of 5.5 percent is now significantly higher than the yield on 30-year bonds, which were offering investors 5.38 percent late in the day, down from 5.44 percent late Wednesday. Usually, investors get a significant premium to short-term rates for tying up their money for 30 years, and the current situation discourages lenders from making long-term commitments.

This can have a slowing effect on the economy, which would lead the Fed to push short-term rates lower.

Although data released Thursday showed that the U.S. economy grew 1.6 percent in the second quarter, an upward revision from the 1.4 percent previously reported, analysts have spent the entire year scaling back their growth expectations.

For the stock market, this means that corporate profits will be far lower than had been predicted at the start of the year, and that is putting downward pressure on stock prices. First Call Corp., the Boston-based company that collects analysts' earnings expectations, said the consensus estimates are now that the profits of the companies in the Standard & Poor's 500-stock index will grow 5.8 percent for 1998. That is down from 7.1 percent at the beginning of August and 13.9 percent at the start of the year.

That is one reason that the Dow industrials have fallen 12.5 percent from their peak of 9,337.97, reached July 17.

For 1998, the Dow is now up only 3.3 percent, following three calendar years of double-digit growth.

■ U.S. Treasury Prices Soar

Prices for U.S. Treasury bonds, a traditional haven for cash in times of uncertainty, rose for the fifth time in six days, Bloomberg News reported.

The price of the benchmark 30-year issue rose 1 2/32 to 102 10/32, pushing the yield down to 5.35 percent from 5.42 percent Wednesday. That is the lowest yield since the United States started regular sales of the securities in 1977.

"People are selling everything but U.S. government bonds," said John Burgess, a fund manager with Bankers Trust Global Investment Management.

Some analysts warned that bond yields could soon reach bottom.

"They're not going to fall forever," said Marc Fovinci, a fund manager at Ferguson, Wellman, Rudd, Purdy & Van Winkle Inc. in Portland, Oregon. "If the turmoil quiets down overseas, then we'll see yields rise."

Dollar Falls, Hurt by Tumble in Stocks

Bloomberg News

NEW YORK — The dollar fell against the yen and the Deutsche mark Thursday, dragged down as U.S. stocks plunged on concern that Russia's financial crisis might hurt American companies' profits and as a top Japanese official suggested that Japan might sell dollars for yen.

The dollar fell to 141.800 yen in 4 P.M. trading Thursday, from 144.225 yen late Wednesday. It was at 1.7957 DM, down from 1.8065 DM.

Some traders bought yen after Haruhiko Kuroda, director-general of the Japanese Finance Ministry's International Bureau, said, "The yen is excessively weak and the dollar is too strong."

FOREIGN EXCHANGE

Though it rose against the dollar, the mark fell against many major currencies, including the Swiss franc and the pound, on concern that the Russian tumult could hurt the German economy.

Germany is Russia's biggest trading partner and lender and the crisis has driven some investors and traders away from German financial assets.

Many traders view Britain and Switzerland as shielded from problems in Russia and other emerging markets.

Against other major currencies, the dollar slipped to 6.0250 French francs from 6.0550 francs. It fell to 1.4820 Swiss francs from 1.5053 francs. The pound rose to $1.655 from $1.637.

Very briefly:

• **Oracle Corp.**, challenging **Microsoft Corp.**'s dominance of the computer desktop, said it would lease programs over the Internet through a service called Oracle Online, with applications upgraded and maintained on a central server.

• **Minnesota Mining & Manufacturing Co.** plans to eliminate 4,500 jobs by the end of 1999, about 500 more than it announced in July, reducing its work force to 71,000.

• **Starwood Hotels and Resorts**, the owner of Sheraton and Westin hotels and Caesars World casinos, said it would convert to a traditional corporation from a real estate investment trust, take a charge of about $1.2 billion and buy back up to $1 billion of its stock after being stripped by Congress of a tax advantage.

• **Cablevision Systems Corp.** plans to acquire 31 theaters, including the Ziegfeld in New York City, from **Loews Cineplex Entertainment Corp.** for about $92 million.

• **BB&T Corp.** agreed to buy **MainStreet Financial Corp.** for $554.3 million in stock as the fourth-largest bank in North Carolina builds its business in Virginia and the Washington area.

• **Salton/Maxim Housewares Inc.** said it had agreed to acquire **Toastmaster Inc.** for $101.1 million, including assumed debt.

AP, Bloomberg, Reuters

The Trib Index

Prices as of 4:00 P.M. New York time.

Jan. 1, 1992 = 100	Level	Change	% change	year to date % change
World Index	177.36	−6.10	−3.32	+3.05
Regional Indexes				
Asia/Pacific	71.21	−1.09	−1.51	−25.88
Europe	211.02	−6.67	−3.06	+9.31
N. America	242.95	−9.44	−3.74	+12.48
S. America	83.72	−8.64	−9.35	−45.16
Industrial Indexes				
Capital goods	242.38	−10.30	−4.08	+17.34
Consumer goods	219.61	−5.91	−2.62	+4.71
Energy	178.31	−4.43	−2.42	−8.54
Finance	121.17	−5.50	−4.34	−1.46
Miscellaneous	136.65	−3.38	−2.41	−8.83
Raw Materials	159.93	−5.30	−3.21	−4.37
Service	192.97	−6.20	−3.11	+10.71
Utilities	143.07	−3.97	−2.70	−14.26

The International Herald Tribune World Stock Index © tracks the U.S. dollar value of 280 internationally investable stocks from 25 countries.
Compiled by Bloomberg News.

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U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	8518.09	8518.25	8164.19	[illegible]	-357.36
Trans	2945.13	2945.13	2806.85	[illegible]	-114.56
Util	284.01	284.01	280.54	[illegible]	-2.87
Comp	2664.68	2664.68	2564.57	[illegible]	-95.53

Standard & Poors

	High	Low	Previous Close	Today 4 P.M.
Industrials	1295.98	1275.98	1286	1239.69
Transp.	637.71	618.28	620	600.02
Utilities	241.90	238.33	240	238.32
Finance	123.21	120.65	121	114.86
SP 500	1092.85	1075.91	1084	1042.51
SP 100	541.38	532.24	536	515.81

NYSE

	High	Low	Last	Chg.
Composite	539.56	517.00	518	-20.74
Industrials	670.45	643.71	645	-24.49
Transp.	435.63	414.43	417	-18.22
Utility	374.20	364.32	364	-9.86
Finance	500.13	471.71	474	-25.19

Nasdaq

	High	Low	Last	Chg.
Composite	1742.13	1674.02	1686.39	81.74
Industrials	1111.15	1062.97	1072.45	50.65
Banks	1762.16	1682.80	1703.75	72.55
Insurance	1530.75	1486.54	1497.16	14.54
Finance	2257.16	2170.33	2173.48	7.51
Transp.	913.42	871.57	879.38	0.61

AMEX

High	Low	Last	Chg.
633.80	608.81	608.99	[illegible]

Dow Jones Bond

	Close	Chg.
20 Bonds	105.16	[illegible]
10 Utilities	102.77	[illegible]
10 Industrials	107.55	[illegible]

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
Cendant	234765	13⅞	11⅝	13	-1⅞
Compaq s	209237	33⅞	31¾	32¾	-1⅞
Lucent s	101173	86¼	81½	82¾	-4⅞
Travelrs s	100549	57⅞	50	50⅞	-4⅞
ChaseM s	88969	61½	58	58½	-5¼
CBS	86696	29⅞	26⅝	29⅛	+2⅞
GenElec	81448	89⅜	85⅞	86¼	-3⅞
PhilMor	81304	43⅞	43⅛	43½	-⅞
MerrLyn	76786	82	77	78½	-6⅛
Citicorp	74620	131⅛	122	122¾	-11⅛
Gillette s	74147	44½	42	43⅞	-1⅞
Disney s	72739	32⅛	30⅞	31⅛	-1⅞
IBM	71959	128¼	124⅞	125¼	-5⅛
MicmT	71711	28⅞	25	26⅛	-3⅛
CocaCl	69982	76⅞	74⅝	74⅞	-4⅛

Nasdaq

	Vol.	High	Low	Last	Chg.
DellCptr s	379967	129⅛	122⅞	125	-3⅛
Intel	330255	82⅞	76¼	79⅛	-3⅛
Cisco s	179859	103	98⅞	99⅛	-4⅛
Microsft s	178605	112⅛	108½	109⅞	-3⅛
WorldCm	172877	52⅛	49⅛	49⅛	-2⅞
DSC	137188	27	21⅜	22⅞	-4⅞
Ascend	99947	42⅞	37½	40⅞	-2⅞
AppleC	98399	39⅛	35⅛	37⅛	-2⅛
ApldMat s	92287	29⅞	27⅛	27⅞	-2⅛
WA Mutl s	89577	32⅛	30	31⅛	-1⅛
Peopsft s	83473	30⅞	28	30⅛	-1⅛
RegionsFn	79311	39⅛	34⅛	34⅞	-5⅞
FoteSys	78736	19⅛	16⅛	19⅞	+⅞
3Com	73207	29	26½	27⅞	-3⅞
EricTel s	69937	23	21⅜	21⅛	-2⅛

AMEX

	Vol.	High	Low	Last	Chg.
SPDR	238530	107⅞	103⅞	104¼	-4⅛
Metromda	21384	5⅛	4⅛	4⅛	-⅛
DJIA Diam	18533	84⅞	81⅞	81⅞	-3⅞
SP Mid	17375	60⅞	57⅞	58⅞	-3⅞
FAusPr	14159	6⅛	5⅞	5⅞	-⅛
GreyWolf	13424	1⅛	1⅛	1⅛	-⅛
Nabors	11652	13⅛	12⅛	13	-⅛
BemaGold	9578	1	⅞	⅞	-⅛
TWA	7997	6⅞	6⅞	6⅛	-⅛
Hasbro	7210	36⅛	33⅛	35⅞	-1⅞

Trading Activity

NYSE

	Close	Prev.
Advanced	377	[illegible]
Declined	2476	[illegible]
Unchanged	315	[illegible]
Total issues	3568	[illegible]
New Highs	14	3
New Lows	997	58

Nasdaq

	Noon	Prev.
Advanced	378	952
Declined	3815	3313
Unchanged	1210	1286
Total issues	5403	5551
New Highs	3	6
New Lows	990	651

AMEX

	Close	Prev.
Advanced	100	137
Declined	560	479
Unchanged	121	141
Total issues	781	757
New Highs	3	6
New Lows	155	96

Market Sales

	Today 4 P.M.	Prev. cons.
NYSE	943.54	805.73
Amex	54.23	37.32
Nasdaq	903.33	685.86

In millions.

Dividends

Company	Per	Amt	Rec	Pay
REVERSE STOCK SPLIT				
Nielsen Media 1 for 3 reverse split.				
INCREASED				
Harleysville Grp	Q	.125	9-15	9-30
High Yld Plus Fd	M	.0725	9-30	10-9
Royce Value Tr	Q	.40	9-7	9-23
OMITTED				
Hino Motors	-			
Mitsubishi Elec	c			
c- interim dividend.				
Penncorp Fincl	-			
INITIAL				
EBI Cap Tr I	-	.38	9-15	9-30
FMS Fincl Cp n	-	.03	10-1	10-15
Tredegar Ind n	-	.04	9-18	10-1
REGULAR				
ACM Mngd Dllr In	M	.1125	9-4	9-18
Alliance Wld Dllr	M	.1275	9-4	9-18
Alliance Wld II	M	.11	9-4	9-18
Amcast Industl	Q	.14	9-11	9-28
Assoc Estates	Q	.465	10-15	10-31
Collins Ind	Q	.025	9-8	9-15
Delta Woodside	Q	.025	9-4	9-18
US Fincl Cp	Q	.03	10-1	10-15
FinBncp OH	Q	.15	9-4	10-1
Dearborn	Q	.26	9-4	9-18
Frontier Corp	Q	.2225	10-15	11-2
Fin Co	Q	.03	10-16	10-30
Hancock PatGldv	M	.0875	9-4	9-30
Hancock Pat Pf	M	.0962	9-8	9-30
Hirschleger Ind	g	.10	9-25	10-26
Hi Yld Plus Fd	M	.075	10-30	11-13
Hi Yld Plus Fd	M	.075	11-30	12-11
Interim	Q	.30	9-21	10-12
Jacobenry	Q	.065	9-8	9-24
Kellod Co	Q	.16	9-8	9-18
Lander Colony	Q	.14	9-10	9-30
Medd Bncp	Q	.20	9-16	10-15
Medatic Inc	Q	.065	10-9	10-30
Minn Corp	A	.10	9-11	9-25
NSD Bncorp	Q	.17	9-16	9-30
Nelsn Thomas B	Q	.04	1-20	11-16
Nthn States Pwr	Q	.3575	10-1	10-20
Ottawa Fncl	Q	.10	9-10	9-30
Quanex Corp	Q	.16	9-15	9-30
RedwdEmpire	-	.04	9-30	10-15
Sterling Fncl	Q	.21	9-15	10-1
Tecumseh A&B	Q	.30	9-11	9-25

a-annual; g-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semiannually.

U.S. Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

AMEX

Thursday's 4 P.M. Close

The 200 most traded stocks of the day, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
AMC	683	[illegible]	14	14	[illegible]
ARVLb	978	8½	[illegible]	8	[illegible]
AegisRlt n	353	[illegible]	[illegible]	[illegible]	[illegible]
AirWat	787	[illegible]	[illegible]	[illegible]	[illegible]
AHmgen	634	12¼	[illegible]	[illegible]	[illegible]
AlldDgl	845	[illegible]	[illegible]	4½	[illegible]
AltLiving	1003	[illegible]	[illegible]	19¼	[illegible]
ABKCT s	339	[illegible]	[illegible]	21⅛	[illegible]
AmShrd	320	[illegible]	[illegible]	[illegible]	[illegible]
Ampal	612	5	[illegible]	5	[illegible]
Ampex	898	[illegible]	[illegible]	[illegible]	[illegible]
Amtec	1579	[illegible]	[illegible]	[illegible]	[illegible]
AndreaE s	1494	6½	[illegible]	[illegible]	[illegible]
ApexSilv n	368	8	7½	7½	[illegible]
AstLivng	973	13	[illegible]	13	[illegible]
AtlTele n	597	[illegible]	[illegible]	[illegible]	–
AudioBC n	471	[illegible]	[illegible]	[illegible]	[illegible]
Audvox	835	5	[illegible]	[illegible]	[illegible]
AudSurv	600	[illegible]	[illegible]	[illegible]	[illegible]
Autotote	1927	[illegible]	2	[illegible]	[illegible]
AvalonH n	714	[illegible]	[illegible]	[illegible]	[illegible]
Azco	755	[illegible]	[illegible]	[illegible]	[illegible]
BAT Ind	1698	[illegible]	[illegible]	[illegible]	[illegible]
BayardD n	2833	[illegible]	[illegible]	[illegible]	[illegible]
Bayou	822	[illegible]	[illegible]	[illegible]	[illegible]
BemaGold	9578	1	[illegible]	[illegible]	[illegible]
BiscApp	168	[illegible]	[illegible]	[illegible]	[illegible]
BoltTech	509	[illegible]	[illegible]	[illegible]	–
BostCts n	1685	[illegible]	[illegible]	[illegible]	[illegible]
Bowne s	1456	[illegible]	[illegible]	[illegible]	-1
BrillDig	460	[illegible]	[illegible]	[illegible]	–
Briilesmde	588	2	[illegible]	[illegible]	[illegible]
B&BGib	317	[illegible]	[illegible]	5	[illegible]
Cablvsn s	2064	[illegible]	38	[illegible]	[illegible]
Calton	604	[illegible]	[illegible]	[illegible]	–
CdnOccl g	1775	[illegible]	[illegible]	[illegible]	[illegible]
CanyonRs	6361	[illegible]	[illegible]	[illegible]	[illegible]
Caremark	417	[illegible]	[illegible]	[illegible]	[illegible]
CastleAM	985	[illegible]	18	[illegible]	[illegible]
CelSci	1086	[illegible]	[illegible]	[illegible]	[illegible]
CFCda g	482	[illegible]	[illegible]	[illegible]	–
CentSe	325	23	22	[illegible]	[illegible]
CtlFFin	940	16	15	16	–
ChrrnC	386	21	20	[illegible]	-1
CoLa	2276	[illegible]	[illegible]	[illegible]	[illegible]
Comforce	572	[illegible]	[illegible]	[illegible]	[illegible]
CmdrAp	377	[illegible]	[illegible]	[illegible]	[illegible]
Compuprte	312	[illegible]	[illegible]	[illegible]	–
CptInV gn	437	[illegible]	[illegible]	[illegible]	[illegible]
Crystlr gn	1487	[illegible]	[illegible]	[illegible]	[illegible]
Cypros	310	[illegible]	[illegible]	[illegible]	[illegible]
DJIA Diam	18533	[illegible]	[illegible]	[illegible]	[illegible]
DaylonEn	2722	[illegible]	[illegible]	[illegible]	–
DevnE	1983	[illegible]	[illegible]	27	[illegible]
DialAutEx	1058	41	[illegible]	[illegible]	[illegible]
EFC Bcs n	794	[illegible]	[illegible]	[illegible]	[illegible]
EchoBay	5897	1	[illegible]	[illegible]	[illegible]
EdgBrs g	312	12	[illegible]	12	[illegible]
ElPozoE	3214	8	8	8	[illegible]
Emenius	366	[illegible]	[illegible]	[illegible]	[illegible]
EmerR	4377	[illegible]	–	[illegible]	[illegible]
Emulex n	580	2	2	[illegible]	[illegible]
EnvSafe n	429	[illegible]	[illegible]	[illegible]	[illegible]
Envirost	314	16	15	16	–
EzcoBi	712	[illegible]	[illegible]	[illegible]	[illegible]
FlAcsJ	600	5	5	[illegible]	[illegible]
FAusPr	14159	[illegible]	[illegible]	5	[illegible]
FalledA	327	16	15	15	[illegible]
ForstLb s	1811	42	39	39	-2
Friedm	537	5	4	4	[illegible]
GA Intell n	2475	4	3	4	[illegible]
GaylCn	2761	3	3	3	[illegible]
Gencor s	472	15	15	15	[illegible]
GenAuto	1084	16	16	16	[illegible]
GenvDr	609	18	17	17	[illegible]
GeoRes	835	10	9	10	[illegible]
GiantFd	2851	42	42	42	[illegible]
Giant	318	13	12	12	[illegible]
GlobSml	795	12	11	11	-1
Globink	327	3	3	3	[illegible]
Gsvdrs	1478	[illegible]	2	3	[illegible]
GldStrP	789	[illegible]	[illegible]	[illegible]	[illegible]
GreyWolf	13424	1	1	1	[illegible]
GrnbCL	2525	4	3	4	[illegible]
HallerSf s	3722	9	8	9	[illegible]
HanoOr	853	15	15	15	[illegible]
HarveyC wd	300	[illegible]	[illegible]	[illegible]	[illegible]
HarrDv	1066	2	2	2	[illegible]
Harken	4957	3	3	3	[illegible]
Hasbro	7210	36	33	35	-1
HlthAfr	604	2	2	2	[illegible]
Heart	1126	1	[illegible]	[illegible]	[illegible]
Heroscn	1329	[illegible]	1	1	[illegible]
Hemdsps	4935	8	8	8	[illegible]
Hmisph wt	832	4⅝	4	4⅝	–
HooperH	1349	19¾	19⅛	19⅝	-⅛
HrzPhm s	1996	9⅛	7⅛	8	-1½
HospWwde	1163	4½	4⅛	4⅛	-⅛
ILX Inc s	617	2⅜	2⅛	2⅛	–
IdenRx	1451	5¼	5¼	5⅜	-⅛
ImpacM s	1371	14⅞	14	14½	-⅝
ImpHlty	425	7⅜	6⅝	6⅝	-⅜
ImpOil g s	671	15⅜	14½	14½	-1⅛
InSiteVis	571	2⅛	2	2⅛	-⅛
IntecDig	3777	4⅛	3⅞	3⅞	-⅛
IntlComH	372	9⅛	8⅞	8⅞	-⅛
IvaxCp	3568	9⅞	9⅝	9⅝	-⅛
JanBell	1179	6⅛	5¾	5⅞	-⅛
Keane	6959	49½	46¼	46½	-4⅛
LXRBiot	295	1⅝	1⅛	1⅛	-⅛
LsrTech	364	4⅛	3⅞	3⅞	-⅛
LocalFin n	571	9½	8⅞	9	-⅛
MagnHunt	2618	3⅞	3	3⅛	-⅛
MarlGrp	786	4⅛	4½	4⅞	-⅛
Media	331	47	45⅛	45⅞	-1⅛
Medtox	577	⅜	⅝	⅝	-⅛
MLSP05 n	318	9⅞	9⅞	9⅞	-⅛
MLEut02	464	11½	11	11⅛	-⅛
Meteor	359	4½	3⅞	4	-⅛
Metromda	21384	5⅛	4⅛	4⅛	-⅛
MidcstEn	488	20¼	19⅛	19⅛	-1⅛
MilestnSci	626	2⅛	2	2⅛	–
MovieStr	454	½	½	½	-⅛
Muzak	554	10⅞	9⅞	9⅞	-⅛
NTNCom	474	⅝	⅝	⅝	+⅛
Nabors	11652	13¼	12⅞	13	-⅛
Nextel 00	592	21⅜	20	20	-2⅛
NA Vacc	1141	8	7½	7⅞	-⅛
NePA Fn n	654	10⅛	9½	9⅝	-1
Nstor	654	⅝	⅝	⅝	–
Oncor	1781	⅞	¾	¾	–
Oncormd	549	1⅝	1⅛	1⅛	-⅛
Organgn s	6975	11⅝	10⅞	10⅞	-1⅛
PC Quote	938	1⅞	1⅞	1⅞	-⅛
PLC Sys	7160	5⅞	5	5⅛	-1⅛
Pacesetr	1553	14⅞	10⅛	10⅞	-4⅛
PeopleTel	481	3⅛	3	3	-⅛
Polyvsnd	465	9⅞	8⅞	8⅞	-⅛
PortSys	459	2⅛	2⅛	2⅛	-⅛
PrpdLg	2126	28⅛	25⅛	26⅞	-2⅞
PriceCm s	391	10⅛	10⅛	10⅞	-⅛
ProActiv	370	⅝	½	½	-⅛
Prolong n	371	2⅞	2	2	-⅛
RF Pow	875	2⅛	1⅞	2⅛	-⅛
RoncoE	5362	8¼	7⅛	7⅞	-3⅞
ResAsst n	486	14½	12⅞	13⅛	-1⅛
RobertsPh	7473	19⅞	19⅛	19⅞	-1
RoyalO g	4390	½	⅜	⅜	-⅛
SaboPet	454	1⅞	1½	1⅝	-⅛
Sellcure	3336	5⅞	3⅛	4⅛	-1⅛
SentryT	343	⅝	⅝	⅝	-⅛
Sentry pf	309	1½	1⅛	1⅛	-⅛
SeraGen n	1536	12⅞	10⅛	11⅛	-1⅛
ShefldPhm	301	1⅛	1⅛	1⅛	-⅛
Softnet	1104	12	10⅞	11⅛	-1
SPDR	238530	107⅞	103⅞	104¼	-4⅛
SP Mid	17375	60⅞	57⅞	58⅞	-3⅞
StlWrkM	1782	23⅛	22	22⅞	-2⅞
StratesC n	320	1⅛	1⅛	1⅛	+⅛
Sulcus	377	1½	1⅛	1½	+⅛
TelDta	2704	37⅞	36⅛	36⅞	-1⅛
Tenera	317	1⅞	1⅛	1⅛	-⅛
TechOps	1369	3⅛	3⅛	3⅞	-⅛
Thermed	1260	11⅛	10⅛	10⅞	-⅞
TiCardio	1369	19	17½	17⅞	-⅞
ThrmoEco	1290	14⅛	14⅛	14⅛	-⅛
Thrlnst s	1255	17	16⅞	16⅞	-⅛
Thrmolse	524	6⅞	6⅞	6⅞	-⅛
Thrmdk	3038	15⅞	15⅛	15⅛	–
TopSrce	1016	1⅛	⅞	⅞	-⅛
TWA	7997	6⅞	6⅞	6⅛	-⅛
TreeMedl	514	14½	13⅞	14½	-½
TabMex	5645	6⅛	5	5⅞	-1⅛
TurnrCp s	558	17⅛	16⅛	16⅛	-⅛
UTI Eng	2096	8⅞	7⅛	7⅛	-⅞
UniRob	1467	1⅞	1⅛	1⅞	–
Unimar	449	⅛	⅛	⅛	–
UptoMal	534	5⅞	5⅛	5⅞	-⅛
USBiosci	1237	5⅞	5⅛	5⅞	+⅛
US Cell	1298	30	29⅞	29⅞	-⅛
USExplor	482	2⅞	2	2	-⅛
VDC Cp n	295	5⅛	5⅛	5⅞	-⅛
Viacom	994	55⅞	54	54	-1⅞
ViacB	6864	55⅛	53⅞	54⅞	-1⅞
Viac wtE	1049	2⅞	2⅛	2⅛	-⅛
VaJaG g	1594	⅛	⅛	⅛	-⅛
WRIT	497	16⅞	16⅛	16⅞	-⅛
WesdownR n	805	27⅛	25	27⅞	2⅛
WhitmE	399	4⅞	4⅛	4⅛	-⅛
WirelessT	923	2⅞	1⅞	2	-⅛
WEBAstrl	343	7⅞	7⅛	7⅛	-⅛
WEBGer	556	20⅞	20⅛	20⅛	-1⅛
WEB HK	2559	6⅛	6⅞	6⅞	-⅛
WEB Ita	355	23⅛	22⅛	22⅞	-1⅛
WEB Jpn	2455	8⅞	8⅛	8⅛	-⅛
WEB Mal	3024	2	2⅛	2⅛	-⅛
WEB Sing	1931	3⅛	3⅛	3⅞	–
WEB Swd	402	16⅞	15⅛	15⅞	-⅛
WEB UK	376	18	18⅞	18⅞	-⅛
XCL Ltd s	954	3⅛	3⅞	3⅞	–

INTERNATIONAL FUTURES

Aug. 27, 1998

	High	Low	Latest	Chge	Opint
Grains					
CORN (CBOT) 5,000 bu minimum- cents per bushel					
Sep 98	198¾	193¾	195½	-2¾	40,239
Dec 98	208¾	204¼	206½	-2¾	172,409
Mar 99	221	216	218¾	-2¾	51,061
May 99	228	223¼	226¼	-2¾	17,965
Jul 99	234	229¼	231¼	-2¾	23,563
Sep 99	238½	234¼	237¼	-2¼	3,933
Dec 99	243½	239½	242¼	-1¾	10,398
Est. sales 100,000 Wed's sales 90,382					
Wed's open int 320,798, up 6,070					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Sep 98	135.50	133.20	135.20	+1.10	17,544
Oct 98	132.50	131.00	132.30	-0.80	24,131
Dec 98	134.70	133.00	134.20	-0.70	63,215
Jan 99	137.00	135.00	136.10	-0.90	11,952
Mar 99	140.50	139.00	139.70	-1.10	10,892
May 99	144.50	142.80	143.00	-1.50	4,878
Est. sales 28,000 Wed's sales 28,050					
Wed's open int 139,867, up 1,499					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
Sep 98	23.80	23.32	23.68	-0.13	15,074
Oct 98	23.97	23.50	23.84	-0.15	21,590
Dec 98	24.15	23.67	24.05	-0.10	47,655
Jan 99	24.10	23.73	24.10	-0.08	7,225
Mar 99	24.20	23.80	24.15	-0.10	10,233
May 99	24.15	23.80	24.14	-0.11	3,603
Est. sales 35,000 Wed's sales 28,649					
Wed's open int 111,461, up 52					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
Sep 98	529½	520	527	-4¼	8,334
Nov 98	524½	514½	520¾	-3¾	88,739
Jan 99	533¼	523½	529¾	-3½	17,638
Mar 99	542½	534	539¾	-4	12,775
May 99	551	543¼	547¾	-4½	4,445
Est. sales 50,000 Wed's sales 42,481					
Wed's open int 142,517, off 993					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
Sep 98	245¾	240½	243¾	-1½	19,739
Dec 98	263½	257½	261	-1¼	71,501
Mar 99	278½	273½	276¾	-1½	21,608
May 99	288	284	286½	-1	4,062
Est. sales 35,000 Wed's sales 22,217					
Wed's open int 126,032, up 395					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Aug 98	58.70	58.00	58.45	-0.17	786
Oct 98	60.90	59.15	60.22	+0.72	43,372
Dec 98	62.40	60.90	62.02	+0.55	22,350
Feb 99	63.25	62.10	63.05	+0.35	12,642
Apr 99	64.45	63.60	64.35	+0.28	5,181
Jun 99	62.75	62.05	62.52	+0.12	2,710
Est. sales 24,685 Wed's sales 15,999					
Wed's open int 87,541, up 1,395					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Aug 98	68.45	68.20	68.25	-0.05	2,831
Sep 98	68.65	67.20	68.25	+0.58	3,745
Oct 98	68.85	67.10	68.12	+0.55	6,531
Nov 98	69.75	68.40	69.40	+0.50	2,990
Jan 99	71.30	69.50	70.35	+0.50	1,462
Mar 99	71.00	69.60	70.30	+0.30	365
Est. sales 3,390 Wed's sales 3,479					
Wed's open int 18,395, off 72					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Oct 98	41.32	40.12	41.07	-0.13	15,313
Dec 98	41.30	40.15	40.90	-0.52	9,559
Feb 99	45.17	44.30	45.10	Unch.	4,208
Apr 99	45.80	45.25	45.70	+0.22	1,034
Jun 99	54.20	53.80	54.20	+0.13	501
Est. sales 9,669 Wed's sales 6,374					
Wed's open int 30,993, up 348					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 99	53.00	51.05	52.95	+1.20	2,954
Mar 99	53.00	51.10	52.70	+0.75	62
May 99			52.60	+0.80	2
Est. sales 2,434 Wed's sales 1,568					
Wed's open int 3,051, off 189					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Sep 98	1544	1526	1544	+9	1,585
Dec 98	1584	1562	1583	+9	28,954
Mar 99	1627	1606	1626	+11	15,920
May 99	1653	1649	1653	+10	6,034
Jul 99			1681	+8	1,765
Sep 99			1710	+8	1,660
Est. sales 5,051 Wed's sales 2,586					
Wed's open int 72,929, off 351					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Sep 98	122.30	119.25	120.60	+0.35	1,515
Dec 98	119.70	115.10	116.55	+0.95	14,537
Mar 99	114.50	112.00	113.20	+1.05	5,540
May 99	114.50	113.00	113.25	+1.20	2,437
Jul 99	114.35	113.25	113.25	+0.95	1,198
Est. sales 7,552 Wed's sales 5,178					
Wed's open int 27,047, off 303					
SUGARWORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Oct 98	7.47	7.36	7.50	-0.02	80,483
Mar 99	8.10	7.78	7.91	-0.06	49,798
May 99	8.27	7.98	8.05	-0.09	7,939
Jul 99	8.25	8.00	8.06	-0.05	6,759
Est. sales 26,647 Wed's sales 30,999					
Wed's open int 160,860, up 5,637					

	High	Low	Latest	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Sep 98	114.25	111.80	113.20	+0.55	8,907
Nov 98	118.20	115.75	117.15	+0.60	11,526
Jan 99	121.25	118.90	120.00	+0.60	4,978
Mar 99	123.25	122.20	123.00	+0.60	2,390
Est. sales N.A. Wed's sales 6,118					
Wed's open int 28,874, up 314					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Aug 98	281.00	276.70	276.70	-5.50	46
Sep 98			274.70	-5.60	1
Oct 98	283.10	277.00	277.50	-5.80	12,038
Dec 98	285.80	280.00	280.10	-5.80	107,703
Feb 99	287.10	281.50	281.90	-5.80	13,621
Apr 99	286.00	283.80	283.80	-5.80	10,944
Jun 99	290.00	285.70	285.70	-5.80	14,839
Aug 99			287.60	-5.80	3,558
Oct 99			289.40	-5.90	526
Est. sales 60,000 Wed's sales 47,767					
Wed's open int 196,890, off 2,884					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Aug 98	74.30	73.20	72.80	+0.45	425
Sep 98	74.20	72.70	73.95	+0.55	12,297
Oct 98	74.05	73.05	73.90	+0.40	2,543
Nov 98	74.00	73.90	74.00	+0.40	1,497
Dec 98	74.30	72.80	74.10	+0.40	25,479
Jan 99	74.30	73.90	74.30	+0.40	1,949
Feb 99	74.40	74.30	74.40	+0.40	1,073
Mar 99	74.60	73.50	74.50	+0.30	4,405
Apr 99			74.65	+0.35	1,067
Est. sales 15,000 Wed's sales 8,835					
Wed's open int 62,344, off 1,002					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Aug 98			485.50	-11.00	70
Sep 98	498.50	484.00	485.50	-11.00	20,856
Oct 98			487.00	-11.00	
Dec 98	503.00	487.00	490.10	-10.90	45,577
Jan 99	495.00	491.90	491.90	-10.90	25
Mar 99	502.00	492.00	493.20	-10.80	7,732
May 99	498.00	495.30	495.30	-10.70	1,815
Jul 99	500.50	497.20	497.30	-10.60	2,538
Est. sales 29,000 Wed's sales 30,934					
Wed's open int 84,264, up 796					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Oct 98	360.00	352.20	354.70	-7.30	9,148
Jan 99	359.00	353.50	355.20	-7.30	1,103
Apr 99			355.20	-7.30	22
Jul 99			355.20	-7.30	16
Est. sales N.A. Wed's sales 2,255					
Wed's open int 10,289, up 80					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1316.00	1317.00	1322½	1323½
Forward	1336.00	1337.00	1344.00	1344½
Copper Cathodes (High Grade)				
Spot	1624.00	1625.00	1622.00	1623.00
Forward	1625.00	1626.00	1631.00	1632.00
Lead				
Spot	525.00	527.00	525½	526½
Forward	535.00	537.00	535½	536.00
Nickel				
Spot	4075.00	4085.00	4070.00	4080
Forward	4135.00	4140.00	4135.00	4140
Tin				
Spot	5595.00	5605.00	5595.00	5605.00
Forward	5485.00	5490.00	5450.00	5460.00
Zinc (Special High Grade)				
Spot	1006½	1007½	1015½	1016½
Forward	1027.00	1028.00	1037.00	1038.00

	High	Low	Close	Chge	Op Int
Financial					
US T BILLS (CMER) $1 million- pts of 100 pct.					
Sep 98	95.19	95.08	95.10	+0.02	3,701
Dec 98	95.50	95.39	95.42	+0.09	490
Est. sales 1,033 Wed's sales 567					
Wed's open int 4,236, off 50					
5 YR TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Sep 98	112-01	111-10	111-32	+19	223,340
Dec 98	112-18	111-24	111-51	+23	235,645
Mar 99			111-59	+23	
Est. sales 255,000 Wed's sales 217,878					
Wed's open int 458,985, up 9,783					
10 YR TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Sep 98	117-01	115-26	116-13	+17	390,814
Dec 98	117-07	115-29	116-18	+19	259,463
Mar 99	116-27	116-21	116-21	+19	3,864
Est. sales 360,000 Wed's sales 328,025					
Wed's open int 653,541, up 17,511					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Sep 98	127-03	125-22	126-12	+20	575,561
Dec 98	126-29	125-16	126-06	+19	404,168
Mar 99	126-10	125-24	125-29	+19	59,222
Jun 99			125-17	+18	50
Est. sales 999,999 Wed's sales 653,076					
Wed's open int 1,043,739, off 34,630					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Sep 98	112.12	111.01	112.09	+1.07	
Dec 98	112.42	111.30	112.36	+1.06	131,038
Est. sales: 104,814. Prev. sales: 168,594					
Prev. open int.: 173,697 up 12,473					
GERMAN GOV. BUND (LIFFE) DM250,000 - pts of 100 pct					
Sep 98	N.A.	N.A.	113.92	+0.94	44,651
Dec 98	N.A.	N.A.	112.74	+0.77	2,900
Est. sales: N.A. Prev. sales: 18,461					
Prev. open int.: 47,551 off 12,524					

	High	Low	Latest	Chge	Opint
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Sep 98	108.67	108.00	108.62	+0.34	187,403
Dec 98	108.19	107.68	108.19	+0.40	32,286
Est. sales: 115,253					
Open int.: 140,489 off 8,324					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Sep 98	N.A.	N.A.	123.54	+0.27	97,925
Dec 98	N.A.	N.A.	109.75	+0.28	12,220
Est. sales: n.a. Prev. sales: 35,245					
Prev. open int.: 110,155 up 1,536					
LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct.					
Sep 98	94.44	94.35	94.40	+0.04	14,206
Oct 98	94.49	94.42	94.46	+0.04	5,276
Nov 98	94.58	94.45	94.49	+0.05	3,443
Est. sales 7,577 Wed's sales 2,126					
Wed's open int 29,188, off 346					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Sep 98	94.44	94.33	94.38	+0.04	451,384
Oct 98	94.47	94.37	94.43	+0.06	15,925
Nov 98	94.54	94.43	94.48	+0.08	4,672
Dec 98	94.65	94.43	94.54	+0.08	426,053
Jan 99	94.64	94.64	94.64	+0.08	1,872
Feb 99	94.70	94.65	94.65	+0.08	80
Mar 99	94.80	94.59	94.69	+0.10	427,142
Jun 99	94.82	94.60	94.70	+0.10	379,519
Sep 99	94.81	94.59	94.69	+0.10	304,594
Dec 99	94.65	94.42	94.52	+0.10	232,348
Mar 00	94.72	94.51	94.59	+0.09	199,732
Jun 00	94.65	94.48	94.51	+0.08	157,920
Est. sales 1,421,129 Wed's sales 630,531					
Wed's open int 3,429,861, up 39,611					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Sep 98	1.6548	1.6352	1.6528	+.0162	46,164
Dec 98	1.6480	1.6288	1.6450	+.0162	1,414
Mar 99			1.6376	+.0162	15
Est. sales 17,505 Wed's sales 8,708					
Wed's open int 47,997, up 279					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Sep 98	.6425	.6305	.6325	-.0056	69,425
Dec 98	.6425	.6300	.6320	-.0065	5,603
Mar 99	.6390	.6290	.6313	-.0074	1,327
Est. sales 19,320 Wed's sales 12,006					
Wed's open int 76,838, up 1,212					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Sep 98	.5585	.5517	.5574	+.0031	98,077
Dec 98	.5614	.5548	.5603	+.0031	3,175
Mar 99	.5638	.5590	.5628	+.0030	72
Est. sales 41,440 Wed's sales 37,114					
Wed's open int 101,445, up 2,761					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Sep 98	.7064	.6946	.7057	+.0095	131,778
Dec 98	.7151	.7025	.7148	+.0095	7,677
Mar 99	.7240	.7195	.7240	+.0096	1,919
Est. sales 29,401 Wed's sales 23,770					
Wed's open int 142,263, off 1,906					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Sep 98	.6775	.6650	.6760	+.0106	70,556
Dec 98	.6840	.6739	.6828	+.0110	1,726
Mar 99			.6890	+.0110	18
Est. sales 29,154 Wed's sales 10,966					
Wed's open int 72,300, up 1,238					
MEXICAN PESO (CMER) 500,000 pesos, $ per peso					
Sep 98	.10000	.09800	.09885	-.00157	25,036
Dec 98	.09390	.09050	.09145	-.00277	11,076
Mar 99	.08560	.08430	.08500	-.00332	3,720
Est. sales 141 Wed's sales 6,236					
Wed's open int 41,458, off 777					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Sep 98	92.380	92.300	92.370	+0.060	154,720
Dec 98	92.680	92.560	92.675	+0.115	149,529
Mar 99	92.960	92.810	92.950	+0.145	130,105
Jun 99	93.170	93.030	93.160	+0.125	152,105
Sep 99	93.360	93.240	93.340	+0.110	111,003
Dec 99	93.430	93.280	93.395	+0.090	122,186
Mar 00	93.520	93.430	93.480	+0.060	93,987
Est. sales: Prev. sales: 121,419					
Prev. open int.: 1,123,320 off 3,792					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Sep 98	96.505	96.485	96.505	+0.015	504,013
Oct 98	96.440	96.430	96.435	+0.010	13,037
Dec 98	96.370	96.335	96.365	+0.010	524,979
Mar 99	96.380	96.225	96.300	+0.025	339,526
Jun 99	96.340	96.280	96.335	+0.030	263,642
Sep 99	96.270	96.220	96.270	+0.030	221,108
Dec 99	96.120	96.060	96.120	+0.030	202,132
Mar 00	96.120	96.065	96.115	+0.040	169,266
Jun 00	96.010	95.940	96.010	+0.030	117,803
Sep 00	95.920	95.880	95.920	+0.035	79,460
Est. sales: Prev. sales: 428,952					
Prev. open int.: 2,720,151 up 15,427					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Sep 98	96.46	96.45	96.45	−0.00	48,124
Dec 98	96.39	96.35	96.38	+0.01	83,835
Mar 99	96.36	96.34	96.36	+0.01	56,030
Jun 99	96.32	96.29	96.32	+0.00	19,558
Sep 99	96.25	96.23	96.25	−0.00	20,701
Dec 99	96.11	96.10	96.11	−0.00	12,588
Est. sales: 15,753					
Open int.: 255,089 up 276					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Sep 98	95.230	95.150	95.150	−0.060	185,170
Dec 98	96.170	96.110	96.120	−0.040	182,723
Mar 99	96.350	96.310	96.330	−0.010	255,237

	High	Low	Latest	Chge	Opint
Jun 99	96.300	96.270	96.300	-0.010	39,458
Sep 99	96.250	96.210	96.240	Unch.	34,305
Dec 99	96.110	96.060	96.090	Unch.	40,507
Est. sales: 103,354. Prev. sales: 112,373					
Prev. open int.: 813,314 up 36,757					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Oct 98	74.20	73.35	73.40	-1.50	4,552
Dec 98	74.50	73.50	73.72	-1.46	36,487
Mar 99	73.90	73.00	73.10	-1.28	18,347
May 99	73.05	72.00	72.80	-0.90	9,178
Jul 99	73.30	72.75	73.07	-0.74	5,304
Est. sales N.A. Wed's sales 9,248					
Wed's open int 81,415, up 623					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Sep 98	35.30	34.05	34.29	-0.95	18,557
Oct 98	36.30	34.85	35.18	-1.02	49,006
Nov 98	37.60	36.40	36.53	-0.99	19,945
Dec 98	39.00	37.90	38.08	-0.89	24,919
Jan 99	40.35	39.25	39.43	-0.84	25,199
Feb 99	41.00	40.40	40.43	-0.79	16,585
Mar 99	41.30	40.95	40.98	-0.74	15,596
Est. sales N.A. Wed's sales 31,798					
Wed's open int 201,404, off 685					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Oct 98	13.60	13.00	13.23	-0.35	125,511
Nov 98			13.46	-0.34	44,969
Dec 98			13.77	-0.31	63,304
Jan 99	14.20	14.02	13.96	-0.37	35,376
Feb 99	14.40	14.22	14.24	-0.33	18,085
Mar 99	14.60	14.52	14.45	-0.33	15,163
Est. sales N.A. Wed's sales 80,738					
Wed's open int 477,973, off 731					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Sep 98	1.764	1.610	1.630	-0.132	25,641
Oct 98	1.800	1.700	1.710	-0.080	38,495
Nov 98	2.050	1.960	1.965	-0.077	27,176
Dec 98	2.311	2.260	2.265	-0.040	29,106
Jan 99	2.436	2.380	2.390	-0.042	29,679
Feb 99	2.395	2.340	2.345	-0.035	17,588
Est. sales N.A. Wed's sales 93,732					
Wed's open int 277,912, off 4,240					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Sep 98	40.70	39.55	40.04	-0.56	23,819
Oct 98	40.50	39.30	39.84	-0.63	38,251
Nov 98	40.75	40.05	40.51	-0.64	6,538
Dec 98	41.70	41.00	41.38	-0.62	7,992
Jan 99	42.30	41.80	42.23	-0.62	3,796
Feb 99	43.10	43.00	43.06	-0.62	2,086
Mar 99			43.88	-0.62	1,824
Apr 99	47.10	46.98	46.98	-0.62	1,634
Est. sales N.A. Wed's sales 32,588					
Wed's open int 90,255, off 845					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Sep 98	104.75	102.00	103.00	−1.25	29,673
Oct 98	109.25	106.50	107.50	−1.25	32,464
Nov 98	112.75	110.50	111.25	−1.75	18,387
Dec 98	116.50	113.75	114.50	−2.00	40,872
Jan 99	119.25	117.25	117.50	−1.75	14,905
Feb 99	121.75	120.00	120.25	−1.75	12,456
Mar 99	124.00	123.75	122.50	−1.50	7,098
Est. sales: 21,000. Prev. sales: 21,486					
Prev. open int.: 179,092 up 3,006					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Oct 98	12.46	11.98	12.28	−0.22	79,215
Nov 98	12.74	12.30	12.53	−0.26	31,903
Dec 98	12.99	12.61	12.76	−0.29	3,997
Jan 99	13.14	12.82	12.94	−0.28	28,675
Feb 99	13.32	13.01	13.12	−0.27	10,855
Mar 99	13.45	13.13	13.29	−0.27	10,123
Apr 99	13.64	13.64	13.46	0.27	7,122
Est. sales: 57,000. Prev. sales: 44,002					
Prev. open int.: 255,887 off 2,717					
Stock Indexes					
SP COMP INDEX (CMER) 250 x index					
Sep 98	1089.50	1039.00	1044.00	-43.80	361,654
Dec 98	1085.00	1050.00	1054.00	-45.40	25,693
Mar 99	1091.00	1075.50	1075.50	-35.00	5,245
Est. sales N.A. Wed's sales 146,767					
Wed's open int 395,084, up 2,050					
FTSE 100 (LIFFE) £25 per index point					
Sep 98	5561.0	5370.0	5370.0	−195.0	186,590
Dec 98	5615.5	5460.0	5447.5	−198.5	20,542
Mar 99	N.T	N.T	5505.0	−200.0	1,345
Est. sales: 46,181. Prev. sales: 27,940					
Prev. open int.: 208,377 up 1,537					
CAC 40 (MATIF) FF200 per index point					
Aug 98	3916.0	3740.0	3916.0	Unch.	102,619
Sep 98	3937.0	3755.0	3926.0	Unch.	168,077
Oct 98	N.T.	N.T.	3937.0	Unch.	925
Dec 98	N.T.	N.T.	3957.0	Unch.	20,449
Est. sales: 246,840					
Open int.: 350,033 up 5,868					

Commodity Indexes

	Close	Previous
Moody's	1,255.30	1,269.00
Reuters	1,509.70	1,523.70
D.J. Futures	122.67	123.39
CRB	196.19	198.12

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

SAP Shares Hit by Suit Over Failed Texas Firm

Compiled by Our Staff From Dispatches

FRANKFURT — Shares in SAP AG tumbled Thursday after the world's largest maker of business-management software was sued by the bankruptcy trustee of FoxMeyer Corp., a Texas-based drug wholesaler.

The shares fell 5 percent, to 965 DM ($536), after the trustees filed a suit seeking $500 million in damages and unspecified punitive damages related to an inventory system provided by SAP America Inc.

SAP vowed to fight the suit.

"We believe there is no factual or legal basis for this suit," Michael Junge, head of SAP's legal department, said.

"SAP America Inc. and SAP will defend themselves against these charges."

The suit, filed Monday, alleges "gross negligence" by SAP America. Specifically, it alleges that SAP's R/3 software was unable to handle FoxMeyer's daily invoice volume and that the failure of the system to operate as promised was a "significant factor" in the company's bankruptcy.

The trustee, Bart Brown, also filed a suit Wednesday against Deloitte & Touche LLP, FoxMeyer's former accounting firm, charging it with agreeing to a damaging refinancing plan.

In another $500 million suit, filed in July, the trustee sued Andersen Consulting, which installed the SAP software.

Klaus Repges, an analyst at HSBC Trinkaus in Duesseldorf, said SAP probably faced little threat from the suit because most German companies active in the United States are insured against product liability.

"No great damages for SAP are likely to arise even in a decision against the company," he said.

(Bloomberg, AFP, Reuters)

New NATO Members Disappoint Jetmakers

Expected Sales Bonanza to Cash-Strapped Countries Has Not Materialized

Bloomberg News

BUDAPEST — When Hungary, Poland and the Czech Republic were invited to join NATO a year ago, Boeing Co., Lockheed Martin Corp. and other Western defense contractors expected at least $10 billion in fighter jet orders alone.

What they have gotten, after investing in local offices and lavish receptions, are sales in the millions — and few of them. Cash-strapped governments, facing no military threat, are buying telephones and radars rather than fleets of fighter planes.

"Much of the expectation was ill-founded," said Paul Beaver, an analyst with Jane's Information Group in London. If $10 billion is spent, it will be spent over 15 years, for radios and other basic gear that will help former enemies communicate in the field. "Priorities have changed," Mr. Beaver said.

So have dreams of a contracts bonanza. Together, Hungary, Poland and the Czech Republic have about as many people as Britain, but their combined defense budget is about $4.5 billion a year, one-seventh of Britain's defense budget — and equal to one month's sales for Boeing.

So far, winners of the North Atlantic Treaty Organization's planned expansion east include Matra BAe Dynamics, a joint venture of Matra-Hachette SA of France and British Aerospace PLC that sold $100 million worth of missiles to Hungary, and Lockheed, which sold five radar systems to Romania for $82 million.

The main hindrance to upgrading Eastern Europe's military to prepare for membership in NATO is simply a shortage of cash.

With Poland, Hungary and the Czech Republic also heading toward joining the European Union, overhauling social security systems is a higher priority than buying new fighter jets.

Prime Minister Viktor Orban of Hungary said at last weekend's "NATO Express" air show that buying new military aircraft was beyond Hungary's means, and the government, which took office in early July, will not invite bids during its four-year term, Hungary's MTI news agency reported.

Jetmakers say they will keep trying to sell their planes in the region.

"We'll stay interested," said Bob Clifford, Lockheed's top executive in Eastern Europe. "We don't want to become labeled as pushing for busting the budget, but it's a competitive world."

Western defense companies started stalking Eastern European markets in earnest two years ago, anticipating NATO's decision last summer to expand the alliance into the former Soviet bloc.

Companies were hosts at posh dinners and took officials for rides in supersonic jets. They set up offices from Budapest to Warsaw and hired lobbying firms to persuade governments to buy. At the same time, political leaders from NATO member states visited the region to show their support for expansion, and the politicians' visits sometimes overlapped with those of weapons sellers.

For Eastern Europeans, it was a familiar experience. Before the former Soviet Union broke up in 1990, Poland, Hungary and Czechoslovakia were members of the Warsaw Pact, the Soviet-led military alliance, and were pressured to buy jets, tanks and other weapons from the Soviet Union.

Some analysts, like Mr. Beaver, say U.S. companies likely will benefit in coming years because they went beyond lobbying to buy stakes in local companies, which has helped ingratiate them with government officials eager to keep their industrial bases intact.

Telekom Weathers Asian Crisis

Former Monopoly Posts 18% Rise in First-Half Amid Competition

Compiled by Our Staff From Dispatches

BONN — Deutsche Telekom AG, one of Europe's biggest phone companies, said Thursday it expected to take no further charges related to the Asian financial crisis.

Company executives presented details of earnings in the first half of 1998 that showed clear growth despite an assault on its home market from dozens of new phone companies and continued losses from its foreign business.

The company said it would pay a 1.20 Deutsche mark (66 cents) dividend this year, unchanged from last year.

"Despite increased competition on the German market and a reduction of calling charges on March 1, we were able to remain on the growth track," the chief executive, Ron Sommer, said.

Deutsche Telekom, which has 46 million phone lines, nearly 5 million mobile-phone subscribers and more than 2 million subscribers to its Internet service, reported that net profit rose 18 percent in the first half of 1998 to 1.9 billion DM, as sales rose 4.5 percent, to 34.4 billion DM.

The company also said it was unlikely to take previously announced charges of as much as 4.5 billion DM for its troubled cable TV business.

Deutsche Telekom's cable activities posted losses of 1.3 billion DM in 1997, and the company said in May that it would take the huge write-down to cover costs after regulators rejected its attempt to raise cable fees.

Deutsche Telekom shares fell 3.5 percent, to 47.6 DM, on concern that the former German monopoly faces its first year of full competition from as many as 50 others.

Deutsche Telekom said sales from its fixed-line business grew only 1.8 percent in the first half, to 24.3 billion DM, while mobile phone sales rose 17 percent, to 2.8 billion DM. Given increased competition, sales in the second half could be below these levels, an analyst at Credit Lyonnais said.

The number of mobile-phone service customers rose 21 percent in the first half to 4.6 million customers, while the number of subscribers to its T-Online service rose to 2.3 million.

The company's chief financial officer, Joachim Kroeske, said he expected cost reductions and improvements in its foreign business to lift profit next year.

But Mr. Kroeske said labor costs were "not in line with our expectations."

Mr. Sommer predicted that an international joint venture, called Global One, with the Sprint Corp. of the United States and France Telecom SA, would lose money in 1999.

Telekom posted losses of 250 million DM during the first half of the year from its stake in Global One, and it expects to take a similar loss in the second half of the year, he said. Mr. Sommer remained optimistic about the venture, saying, "It is a business that everyone wants to get into, but only Global One can do." *(AFP, Reuters, Bloomberg)*

French Police Not Hip to Hemp At Body Shop

Reuters

LONDON — Body Shop International PLC said Thursday that police had seized products in its new hemp line at one of its stores in Aix-en-Provence, France.

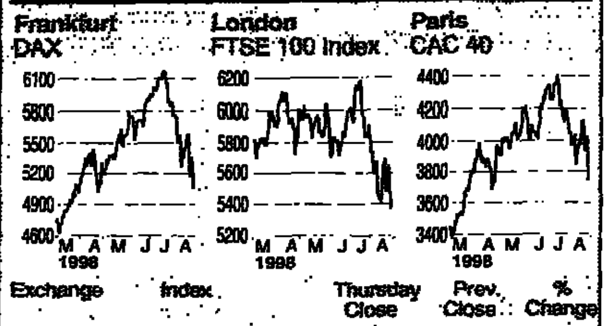
The company said that the police seemed to be concerned that cosmetics containing hemp would encourage the use of drugs.

Hemp is a plant of the mulberry family. The psychoactive agent THC (tetrahydrocannabinol), present in marijuana and hashish, is derived from hemp.

Body Shop denied that the it was encouraging the use of drugs.

"You'd have to smoke a hemp joint the size of a telephone pole to get the least buzz," said Anita Roddick, founder of the company, "and you'd die from carbon monoxide first."

Investor's Europe



Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	AEX	1,108.82	1,133.56	-2.18
Brussels	BEL-20	3,290.54	3,350.83	-1.80
Frankfurt	DAX	5,060.84	5,231.61	-3.26
Copenhagen	Stock Market	666.93	674.19	-1.08
Helsinki	HEX General	4,535.24	4,707.67	-3.66
Oslo	OBX	533.06	556.25	-4.17
London	FTSE 100	5,368.50	5,545.40	-3.19
Madrid	Stock Exchange	762.10	809.22	-5.82
Milan	MIBTEL	21999	23012	-4.40
Paris	CAC 40	3,745.64	3,913.17	-4.28
Stockholm	SX 16	3,735.41	3,891.43	-4.01
Vienna	ATX	1,191.99	1,254.65	-4.99
Zurich	SPI	4,311.25	4,531.98	-4.87

Source: Telekurs — International Herald Tribune

Very briefly:

• **ING Groep NV**, the Dutch banking and financial services group, reported a 74 percent increase in first-half profit, to 3.84 billion guilders ($1.88 billion) from a year earlier, fueled by a series of acquisitions.

• **Skanska AB**, a Swedish construction giant, said net income in the first half fell to 1.86 billion kronor ($225 million) from 7.29 billion kronor a year earlier, but operating profit tripled. The year-earlier results included a gain from the sale of most of Skanska's holding in the steel company **Sandvik AB**.

• **France**'s economy will expand this year by 3 percent, "if not more," but next year it may grow by less than the 2.8 percent initially estimated, because of economic crises in Asia and Russia, Finance Minister Dominique Strauss-Kahn said.

• **Novartis AG**, a Swiss pharmaceutical giant, said first-half net income rose 14 percent, to 3.5 billion francs ($2.33 billion), helped by cost savings from the merger of Ciba-Geigy AG and Sandoz AG, which formed Novartis.

• **Rolls-Royce PLC**, the British aerospace and engineering company, said first-half pretax profit rose 16 percent from a year earlier, to £135 million ($221 million), as orders stood at record levels. The company is separate from **Rolls-Royce Motor Cars Ltd.**, the maker of luxury cars.

• **Independent Newspapers PLC**, the biggest newspaper publisher in Ireland, said first-half net income rose 16.6 percent from a year earlier, to 21.8 million punts ($30.5 million), as advertising was lifted by the strong Irish economy and its other businesses around the world made gains.

• **Denmark**'s jobless rate fell to 6.5 percent in July from a revised 6.6 percent in the previous month.

• **The Netherlands**' economy grew 0.7 percent in the second quarter from the first, and 3.4 percent from a year earlier, driven by rising household spending. *AFP, Bloomberg, Reuters*

WORLD STOCK MARKETS

Thursday, Aug. 27
Daily prices in local currencies.
Telekurs

Amsterdam
AEX index: 1108.82 Previous: 1133.56
www.aex.nl

	High	Low	Close	Prev.
ABN-AMRO	46.80	45.00	45.60	46.70
Aegon	188.50	182.90	184.90	189.50
Ahold	55.90	54.10	55.90	55.60
Akzo Nobel	89.90	84.00	84.50	89.90
ASM Litho.	47.70	45.50	46.00	47.80
ASR Verz.	185.00	179.00	180.00	184.50
Baan Co.	66.60	63.10	63.60	66.60
Bols Wess cva	26.70	25.60	25.60	26.60
Buhrmann	46.70	44.30	45.90	44.40
Cap Gemini	144.00	141.10	141.10	143.50
CSM cva	106.40	104.60	104.60	106.30
Dordtsche Pet	86.60	84.50	84.90	86.00
DSM	188.40	184.30	185.00	188.10
Elsevier	25.90	25.00	25.30	25.40
Fortis Amev	130.40	125.30	126.10	130.30
Getronics	106.80	102.90	103.00	105.70
Hagemeyer	72.60	67.50	70.20	69.50
Heineken	88.50	84.10	86.50	88.20
Hoogovens cva	80.00	77.00	78.00	80.60
Hunt Douglas	93.50	84.50	85.00	94.50
IHC Caland	97.00	95.00	95.00	95.50
ING Group	129.90	123.30	123.80	129.90
KLM	72.70	70.30	71.20	73.00
KPN	86.00	82.80	84.90	84.90
Nedlloyd	31.70	30.50	30.50	31.80
Nutricia	63.00	60.70	62.60	62.50
Oce	77.60	75.80	76.00	77.00
Philips Elec	143.00	133.50	135.50	143.60
Polygram	110.20	109.70	109.70	110.30
Randstad Hdg	150.90	147.70	150.90	150.90
Robeco	216.40	214.40	214.50	215.50
Rodamco	49.40	48.40	48.40	49.20
Rolinco	183.20	181.50	181.50	184.00
Rorento	125.80	125.80	125.80	125.60
Royal Dutch	90.40	88.90	89.20	90.90
TNT Post Group	45.30	43.20	44.90	45.40
Unilever cva	140.00	136.60	139.00	139.70
Vendex	74.90	71.60	71.90	75.50
VNU	84.20	80.30	83.10	82.10
Wolters Kl cva	334.60	323.00	332.00	328.10

Athens
Composite index: 2281.33 Previous: 2471.75
www.ase.gr

	High	Low	Close	Prev.
Commercial Bk	25737	25737	25737	27974
Ergo Bk	24000	23419	23419	25455
Hellenic Bottling	8300	7912	7912	8600
Hellenic Telecom	7600	7158	7158	7780
Heracles Cement	8200	7701	7702	8370
Natl Bank	45995	44151	44151	47990
Titan Cement	19980	18787	18900	20420

Bangkok
SET index: 226.85 Previous: 227.58
www.set.or.th

	High	Low	Close	Prev.
Adv Info Svc	184.00	176.00	181.00	182.00
Bangkok Bk F	36.25	34.50	34.50	36.00
BEC World	142.00	137.00	142.00	142.00
Delta Electron.	164.00	155.00	162.00	164.00
Elec. Gener. F	65.00	64.00	64.00	65.00
Krung Thai Bk	6.40	6.10	6.20	6.40
PTT Explor F	280.00	260.00	272.00	272.00
Siam Cement F	276.00	274.00	276.00	274.00
Telecomasia F	8.10	7.90	8.00	8.00
Thai Airways	32.25	31.75	32.00	32.50
Thai Farm Bk F	20.00	18.50	18.75	20.25

Bombay
Sensex 30 index: 2974.83 Previous: 2993.36
www.bse-india.com

	High	Low	Close	Prev.
Bajaj Auto	664.00	645.25	653.50	646.25
Bharat Hvy El	237.70	227.00	230.00	233.00
Bharat Petlm	280.00	261.00	270.00	267.10
Hindust Lever	1632.00	1595.00	1611.00	1622.50
Hindust Petlm	292.00	274.00	279.80	273.10
Ind Dev Bk	59.00	55.00	55.00	58.05
ITC	639.50	616.00	616.00	624.00
Larsen Toubro	187.50	179.20	181.50	178.30
Mahanagar Tel	212.00	198.90	204.20	197.60
Reliance Ind	117.50	112.50	113.00	116.00
State Bk India	191.80	185.50	185.90	187.20
Tata Eng Loco	139.90	134.50	134.60	138.50

Brussels
BEL-20 index: 3290.54 Previous: 3350.83
www.stockexchange.be

	High	Low	Close	Prev.
Almanij	3025	2885	2895	3045
Cobepa	2460	2385	2435	2500
Delhaize Lion	2925	2830	2870	2900
Dexia Belgium	5700	5610	5690	5740
Electrabel	12725	12300	12500	12200
Electrafina	4525	4450	4495	4500
Fortis AG	10100	9930	9980	10250
GBL	6880	6640	6680	6980
Gen Banque	15725	15650	15725	15650
KBC Bankassur	3005	2885	2920	3045
Petrofina	13800	13625	13750	14025
Royale Belge	13515	13525	13525	13700
Soc Gen Belg	4130	4100	4130	4110
Solvay	2615	2500	2515	2630
Tractebel	5750	5510	5730	5690
UCB	207200	204500	204650	207500

Buenos Aires
Merval index: 404.81 Previous: 415.19
www.bcba.sba.com.ar
Wednesday, Aug. 26

	High	Low	Close	Prev.
Banco Frances	6.80	6.60	6.73	7.00
Bco Galicia BA	3.55	3.28	3.50	3.85
Perez Companc	4.38	4.10	4.36	4.36
Renault Arg	1.38	1.28	1.35	1.37
Siderar A	2.32	2.10	2.17	2.25
Siderca	1.20	1.12	1.18	1.23
Telecom Arg B	5.15	5.05	5.10	5.30
Telefonica B	2.57	2.42	2.56	2.58
YPF D	22.75	21.50	22.65	22.50

Copenhagen
Stock index: 666.93 Previous: 674.19
www.xcse.dk

	High	Low	Close	Prev.
BG Bank	380	360	360	370
Carlsberg B	445	434.57	439.25	440.76
Danisco	470	455	462	470
Den Danske Bk	895	860	867.61	900
D/S Svendborg B	72000	69296	65000	67580
DS 1912 B	57000	43000	46000	48000
Nvo Nordisk B	985	945	946.18	980
Ratin B	1230	1190	1205	1230
Tele Danmk B	687.92	650	670	685
Unidanmark A	620	595	595	615.82

Frankfurt
DAX: 5060.84 Previous: 5231.61
www.exchange.de

	High	Low	Close	Prev.
AMB R	249.50	247.00	249.00	249.00
Adidas	226.00	211.00	211.00	219.50
Allianz	572.00	551.50	559.50	568.00
Altana	112.50	108.00	112.00	112.50
Audi	1650.00	1650.00	1650.00	1690.00
Axa Colonia	225.00	216.00	223.00	225.00
Bk Berlin	31.70	31.10	31.60	31.80
BASF	73.80	70.20	71.40	73.10
Bayer	69.70	65.80	66.55	70.00
Bayer Hypo Bk	116.50	109.00	109.00	116.00
Bay.Vereinsbank	156.00	144.00	144.00	157.00
Beiersdorf	100.00	90.00	90.50	103.50
Bewag	72.50	71.50	71.50	73.50
BHW Holding	29.00	27.50	28.00	29.05
BMW	1445.00	1355.00	1400.00	1390.00
Commerzbank	55.20	52.30	52.70	54.00
Daimler Benz	173.70	167.50	168.80	175.00
Degussa	90.00	83.50	84.00	89.20
Deutsche Bank	122.80	114.70	115.80	122.60
Deut Telekom	49.50	46.20	48.00	49.30
Dresdner Bank	87.30	83.50	85.60	88.30
Energie BW	73.50	72.00	72.00	71.00
Ergo Vers.	287.00	264.00	265.00	287.00
Fresenius	275.00	251.00	255.00	275.00
Fresenius Med	98.50	94.00	94.30	99.00
Fr. Krupp Hoes	276.00	270.00	270.50	278.00
Gehe	109.50	106.50	106.50	109.80
Heidelbg Zmt	138.50	136.00	138.50	137.00
Henkel pfd	146.00	138.00	139.00	145.00
Hochtief	77.10	73.30	74.70	77.00
Karstadt	785.00	753.00	758.00	787.00
Lahmeyer	85.80	83.10	83.10	85.50
Linde	1070.00	1022.00	1025.00	1050.00
Lufthansa R	46.40	43.25	43.50	45.00
MAN	556.00	541.00	546.00	555.50
Mannesmann	171.50	164.00	165.50	172.00
Metallgesellschaft	32.10	30.50	30.50	32.40
Metro	96.00	92.60	93.50	94.00
Munch Rueck R	768.00	730.00	734.00	761.00
Preussag	640.00	625.00	625.00	624.00
RWE	89.30	84.80	87.40	88.40
RWE-DEAN.T.	N.T.	N.T.	488.00	
SAP	1000.00	945.00	965.00	1020.00
Schering	178.50	172.00	174.00	176.00
Siemens	121.90	117.30	121.90	120.50
Springer (Axel)	1095.00	1070.00	1075.00	1100.00
Thyssen	362.00	351.00	351.00	360.00
Veba	90.80	88.30	88.60	91.40
VEW	520.00	520.00	520.00	520.00
Viag	1228.00	1190.00	1192.00	1222.00
Volkswagen	140.00	131.50	132.50	139.50
Wuerttem. Vers.	2630.00	2630.00	2630.00	2630.00

Helsinki
HEX General index: 4535.24 Previous: 4707.67
www.hse.fi

	High	Low	Close	Prev.
Cultor 2	78.00	75.00	76.00	76.00
Enso R	47.00	45.00	45.50	47.40
Huhtamaki I	281.00	269.00	269.00	285.00
Merita A	30.90	28.50	29.10	30.70
Metra B	165.00	155.00	155.00	167.00
Neste	241.10	236.20	241.00	230.00
Nokia A	419.00	400.00	402.00	416.00
Orion-Yhtymae	140.00	134.00	135.00	140.50
Outokumpu	56.50	53.00	56.00	56.50
Pohjola Ins. B	217.00	205.00	209.50	218.00
Raisio V	78.00	70.10	72.50	78.00
Sampo Ins. A	236.00	222.00	222.00	236.00
UPM Kymmene	117.50	112.50	112.50	117.90

Hong Kong
Hang Seng: 7922.97 Previous: 7834.40
www.sehk.com.hk

	High	Low	Close	Prev.
Amoy Props	3.98	3.85	3.95	3.88
Bk East Asia	8.65	8.45	8.60	8.45
Beijing Ent.	7.10	6.85	6.90	7.20
Cathay Pacific	6.40	6.25	6.40	6.25
Cheung Kong	34.20	34.00	34.00	34.10
CK Infrastruct	14.60	14.55	14.55	14.55
China Merchant	3.60	3.48	3.50	3.60
China Overs	0.68	0.65	0.67	0.66
China Resource	5.90	5.70	5.85	5.85
CLP Holdings	35.50	35.10	35.40	35.10
Citic Ka Wah Bk	2.00	1.92	1.92	1.99
Citic Pacific	10.60	10.30	10.55	10.25
Cosco Pacific	2.08	2.03	2.03	2.08
Dao Heng Bk	9.45	8.30	8.50	9.45
Hang Lung Dev	6.80	6.65	6.80	6.75
Hang Seng Bk	44.50	43.90	44.40	44.00
Henderson Inv	4.30	4.25	4.28	4.25
Henderson Ld	24.05	23.75	24.00	23.75
HK China Gas	9.15	9.00	9.10	9.10
HK Electric	25.30	25.10	25.30	25.10
HK Telecomm	15.55	15.25	15.45	15.50
HSBC Hdgs	175.00	166.00	174.50	172.00
Hutchison Wh	38.60	38.10	38.50	38.30
Hysan Dev.	5.40	5.35	5.35	5.35
Johnson El Hdg	15.00	14.90	14.90	15.00
Natl Mutual	3.30	3.20	3.25	3.40
New World Dev.	9.10	8.90	9.05	9.10
New World Infr.	5.10	4.80	5.00	5.05
Shanghai Ind.	11.25	11.05	11.20	11.05
Shangri-La Asia	4.95	4.85	4.90	4.85
SHK Props	26.30	26.20	26.20	26.20
Sino Land Co.	2.65	2.60	2.65	2.63
Swire Pac A	24.40	24.25	24.35	24.25
Wharf Hdgs	7.85	7.60	7.80	7.60
Wheelock	4.28	4.15	4.25	4.22
Yue Yuen Ind.	14.30	13.90	14.10	14.10

Istanbul
National 100 index: 2403.99 Previous: 2997.25
www.ise.org

	High	Low	Close	Prev.
Akbank	5900	5100	5100	5900
Anadolu Isuzu	14000	11750	11750	13750
Haci Omer Sab	5200	4500	4500	5300
KOC Holding	32500	27500	29000	32500
Tupras	24500	22000	22750	25000
Turk Hava	18250	16000	16250	18250
Turk Bankasi	8700	7600	7700	8800

Jakarta
Composite index: 354.95 Previous: 360.93
www.jsx.co.id

	High	Low	Close	Prev.
Astra Intl	675	625	650	650
Gudang Garm	8250	8050	8125	8250
Indah Kiat	2650	2550	2550	2675
Indocement	3450	3100	3400	3525
Indofood	1750	1675	1700	1775
Indorama Syn	1400	1400	1400	1400
Indosat	8700	7900	7975	8600
Sampoerna HM	2350	2250	2275	2350
Semen Gresik	7875	6400	7875	7200
Telekomunikasi	2625	2375	2500	2500
Tempaco Park	3000	3000	3000	3000
Timah	6000	5700	5775	6000

Johannesburg
All Market: 5218.62 Previous: 5531.95
www.jse.co.za

	High	Low	Close	Prev.
ABSA Group	20.30	17.90	17.90	20.30
AngloAm Corp	162.20	148.00	162.00	159.00
AngloAm Ind	74.00	66.00	68.50	71.00
AngloAm Plat	82.00	70.00	82.00	82.00
Barlow	25.80	24.15	25.00	25.80
Bidvest Grp	38.00	31.00	35.00	38.00
Billiton	12.35	11.95	12.00	12.30
BOE	5.05	4.35	4.40	5.15
Coronation N	85.10	75.00	75.00	87.00
De Beers	80.00	72.10	78.40	76.90
Dimension Data	26.00	20.10	24.00	25.80
Fedsure Hdgs	52.00	48.50	48.50	53.50
FirstRand	6.25	5.50	6.10	6.25
Genbel Sec	54.00	43.00	46.00	54.00
Imperial Hdgs	36.00	31.00	36.00	35.00
Investec Hdgs	189.00	169.00	169.00	192.00
Johnnies Indl	40.50	38.00	40.00	42.00
Liberty Hdgs	235.00	212.00	218.00	235.00
Liberty Life	87.20	77.00	79.00	87.50
LibLife Strat	11.00	1.00	10.90	11.90
Met Life	9.80	9.00	9.60	10.00
Minorco	59.50	52.00	59.00	57.50
Nampak	7.30	6.60	7.20	6.95
Nedcor	94.00	88.50	90.00	94.00
Persetel Q Data	56.10	45.75	50.30	56.50
Primedia Uts	29.50	22.00	25.00	31.00
Rembrandt Gp	30.00	27.50	29.70	28.00
Richemont	74.50	69.00	69.00	72.20
SA Breweries	92.00	80.00	88.00	94.00
Sasol	25.80	21.60	25.20	24.15
SBIC	17.80	15.00	15.50	17.75
Smith (C.G.)	11.10	10.00	11.10	11.00
Tiger Oats	42.00	37.00	41.00	41.00

Kuala Lumpur
Composite: 312.51 Previous: 324.49
www.klse.com.my

	High	Low	Close	Prev.
Berjaya Sports	3.10	2.90	2.90	3.14
Genting	8.30	8.10	8.20	8.25
Golden Hope	2.64	2.50	2.50	2.66
KL Kepong	4.56	4.40	4.44	4.56
Magnum	0.86	0.83	0.84	0.86
Mal Banking	2.99	2.90	2.91	3.02
Mal Intl Ship F	4.56	4.30	4.32	4.60
Petronas Gas	5.55	5.20	5.25	5.55
Public Bk F	0.92	0.91	0.91	0.95
Resorts World	3.50	3.22	3.28	3.52
RHB Capital	1.02	0.95	0.95	1.02
Rothmans PM	20.30	19.60	19.50	19.80
Sime Darby	1.83	1.75	1.75	1.83
Telekom Mal	6.00	5.80	5.80	6.00
Tenaga	2.27	2.17	2.18	2.26
YTL	2.75	2.60	2.61	2.75
YTL Power	1.70	1.65	1.65	1.70

London
FT-SE 100: 5368.50 Previous: 5545.40
www.stockex.co.uk

	High	Low	Close	Prev.
Abbey Natl	11.20	11.19	11.10	11.00
Alliance Leic	8.39	8.07	8.32	8.33
Allied Domecq	5.38	5.18	5.20	5.38
Amvescap	5.74	5.32	5.32	5.90
Anglian Water	8.70	8.50	8.60	8.55
ASDA Group	1.77	1.70	1.70	1.76
Assoc Br Foods	5.59	5.04	5.20	5.45
BAA	6.45	6.10	6.18	6.44
Bank Scotland	6.70	6.18	6.19	6.48
Barclays	15.40	14.75	14.75	15.32
Bass	9.11	8.64	8.74	9.14
BAT Ind	6.25	5.87	5.95	6.30
BG	3.84	3.49	3.69	3.85
Billiton	1.18	1.11	1.12	1.20
Blue Circle	3.19	2.61	3.00	3.14
BOC Group	8.12	7.75	7.99	8.21
Boots	10.10	9.50	10.00	10.02
Brit Assur	13.00	12.75	12.76	13.01
Brit Aerosp	4.25	4.02	4.10	4.20
Brit Airways	4.95	4.68	4.77	4.94
Brit Energy	5.79	5.65	5.73	5.71
Brit Land	5.42	5.31	5.31	5.35
Brit Petlm	8.06	7.74	7.75	8.18
Brit Steel	1.18	1.11	1.13	1.18
Brit Telecom	8.39	8.21	8.26	8.30
BSkyB	4.85	4.61	4.83	4.85
BTR	1.50	1.37	1.40	1.49
Burmah Castrol	10.57	9.45	9.64	9.75
Cable Wireless	7.50	6.44	6.55	7.18
CW Comms	5.62	5.45	5.50	5.62
Cadbury Schw	8.99	8.80	8.88	8.90
Carlton Comm	4.62	4.56	4.59	4.60
Centrica	0.89	0.83	0.86	0.85
CGU	9.73	9.10	9.10	9.92
Compass Group	6.10	5.87	5.90	6.06
Daily Mail A	25.50	24.10	24.75	24.93
Diageo	6.88	6.05	6.15	6.42
Dixons Group	5.95	5.66	5.72	5.82
EMAP	10.89	10.50	10.63	10.62
EMI Group	4.72	4.28	4.30	4.65
Enterprise Oil	4.13	3.70	3.97	4.09
Gallaher Group	3.68	3.64	3.64	3.63
GEC	4.53	4.20	4.21	4.50
GKN	7.40	7.10	7.15	7.20
Glaxo Wellcome	18.92	18.43	18.68	18.61
Granada Group	8.44	8.20	8.25	8.47
GRE	2.83	2.68	2.74	2.86
GUS	7.40	7.27	7.36	7.33
Halifax	7.40	6.80	7.15	7.04
Hays	8.64	8.10	8.20	8.47
HSBC Hdgs	13.70	12.18	12.23	13.13
HSBC Hdgs 75p	14.00	12.50	12.54	13.49
ICI	6.98	6.60	6.85	6.86
Impl Tobacco	5.28	5.09	5.15	5.16
Kingfisher	5.13	4.85	4.97	5.08
Ladbroke	2.50	2.34	2.38	2.46
Land Sec	8.81	8.60	8.63	8.87
Lasmo	1.92	1.71	1.71	1.86
Legal Genl Grp	7.58	6.68	7.05	7.53
Lloyds TSB Grp	7.95	7.36	7.48	7.64
LucasVarity	2.32	2.13	2.22	2.30
Marks Spencer	5.31	5.16	5.28	5.25
MEPC	4.95	4.80	4.94	4.95
Misys	28.15	25.20	25.50	28.50
National Grid	4.39	4.31	4.35	4.36
National Power	5.22	4.91	5.00	5.28
NatWest	11.57	10.60	10.81	11.40
Next	4.58	4.37	4.47	4.55
Northern Rock	5.03	4.85	4.98	5.05
Norwich Union	4.72	4.35	4.53	4.56
Nycomed Amer	3.70	3.50	3.58	3.73
Orange	7.75	7.40	7.40	7.69
P&O	7.60	7.21	7.40	7.60
Pearson	10.43	10.10	10.15	10.50
PowerGen	7.56	7.10	7.33	7.58
Provident Fin	9.30	8.60	9.12	9.10
Prudential	8.58	8.33	8.53	8.54
Railtrack Group	14.75	14.20	14.44	14.32
Rank Group	3.06	2.92	2.96	3.06
Reckitt Colman	10.65	9.85	10.25	10.71
Reed Intl	4.61	4.33	4.38	4.65
Rentokil Initial	3.74	3.63	3.70	3.78
Reuters Group	5.57	5.14	5.22	5.60
Rio Tinto R	6.03	5.70	5.70	6.06
RMC Group	8.14	7.95	8.09	8.14
Rolls Royce	2.21	2.01	2.06	2.23
Royal Bk Scot	9.10	8.40	8.40	9.10
Royal & Sun All	5.45	5.03	5.19	5.44
Safeway	3.17	3.09	3.12	3.12
Sainsbury	5.15	4.93	5.11	5.06
Schroders	14.40	13.15	13.77	14.45
Scot Newcastle	7.93	7.58	7.60	7.93
Scot Power	5.96	5.85	5.88	5.95
SEMA Group	6.35	5.90	5.90	6.30
Severn Trent	9.99	9.80	9.85	9.80
Shell Transp R	3.39	3.26	3.27	3.42
Siebe	2.20	2.08	2.12	2.19
SmithKline	7.40	6.50	7.32	7.26
Smiths Ind	6.68	6.50	6.57	6.57
Sthern Elec	5.51	5.38	5.48	5.50
Stand Charter	6.50	5.00	5.40	5.81
Sun Life Prov	5.33	5.09	5.12	5.30
Tate & Lyle	4.60	4.44	4.47	4.58
Tesco	1.63	1.56	1.61	1.60
Thames Water	10.85	10.53	10.75	10.66
3i Group	5.45	5.00	5.26	5.43
TI Group	4.25	4.16	4.16	4.25
Tomkins	2.74	2.31	2.64	2.72
Unilever	5.71	5.56	5.61	5.75
Utd News	7.19	6.66	6.66	7.28
Utd Utilities	8.68	8.50	8.59	8.65
Vodafone	9.10	7.78	8.76	9.04
Whitbread	7.95	7.64	7.68	7.97
Williams Hdgs	3.69	3.58	3.60	3.66
Wolseley	3.08	3.02	3.04	3.06
Woolwich	3.36	3.25	3.30	3.32
WPP Group	3.59	3.42	3.45	3.61
Zeneca	24.40	23.42	23.75	23.80

Madrid
Bolsa index: 762.10 Previous: 809.22
www.bolsamadrid.es

	High	Low	Close	Prev.
ACESA	2265	2190	2190	2260
Aguas Barcelon	7990	7500	7520	8050
Argentaria	3320	3020	3045	3370
BBV	2045	1940	1995	2105
Banesto	2300	2000	2000	2330
Bankinter	5130	4750	4750	5150
Bco Centro Hisp	1650	1510	1520	1690
Bco Popular	11600	11110	11140	11700
Bco Santander	2930	2750	2770	3030
Catalana Occid	4400	4225	4225	4350
CEPSA	5040	4640	4650	5050
Continente	4580	3850	3905	4500
Corp Mapfre	4300	4055	4180	4250
Endesa	3020	2900	2900	3050
FECSA	1370	1340	1370	1370
Fom Constr	7050	6890	6890	7140
Gas Natural	10140	9800	9830	10220
Grupo Acciona	38050	36100	36550	38090
Iberdrola	2295	2210	2250	2300
Pryca	3285	3125	3200	3260
Repsol	7380	7060	7080	7440
Sevillana Electr	1620	1580	1605	1590
Tabacalera	3270	3100	3130	3315
Telefonica	6590	6010	6000	6430
Union Fenosa	1970	1700	1815	1985
Valenc Cement	3590	3480	3490	3595

Manila
PSE index: 1266.99 Previous: 1287.02
www.pse.com.ph

	High	Low	Close	Prev.
Ayala	6.80	6.00	6.60	6.70
Ayala Land	8.10	7.70	8.00	8.20
Bk Philip Isl	70.00	70.00	70.00	70.50
Manila Elec A	57.00	56.00	56.50	57.50
Manila Elec B	81.00	79.00	79.50	82.00
Metro Bank	155.00	149.00	149.00	154.00
Petron	2.60	2.55	2.60	2.60
Phil Long Dist	745.00	715.00	735.00	745.00
San Miguel A	37.00	36.00	37.00	36.50
San Miguel B	40.50	38.50	40.00	40.00
SM Prime Hdg	5.60	5.40	5.60	5.60

Mexico
Bolsa index: 3070.29 Previous: 3254.44
www.bmv.com.mx

	High	Low	Close	Prev.
Alfa A	27.10	24.00	25.90	27.00
Banacci B	8.60	8.16	8.24	9.60
Bancomer B	1.46	1.24	1.33	1.50
Bimbo A	16.38	16.10	16.20	17.00
Carso A1	28.40	26.30	26.80	28.95
Carso Gl Tel A1	20.00	18.50	19.50	20.40
Cemex CPO	23.90	21.95	22.15	24.55
Cifra C	10.74	10.30	10.70	10.80
Inbursa B	17.50	16.50	16.60	19.20
KimClark Mex A	23.10	22.00	22.50	24.00
Televisa CPO	98.30	95.60	95.60	103.00
TelMex L	18.10	17.30	17.66	18.56

Late trading

Milan
MIB Telematico: 21999.00 Previous: 23012.00
www.borsaitalia.it

	High	Low	Close	Prev.
Alleanza Assic	23450	22600	22600	23400
Bca Comm Ital	12725	11800	11820	12880
Bca Fideuram	10910	10390	10600	11000
Bca Intesa	9500	8950	8990	9600
Bca Pop Verona	173000	166100	167000	171500
Bco di Roma	3900	3620	3680	3950
Benetton	2865	2740	2750	2920
Compart	1490	1440	1461	1510
Credito Italiano	9595	8850	8850	9630
Edison	15500	15100	15105	15465
ENI	9980	9690	9710	9980
Fiat	6100	5665	5680	6095
Fondiaria Assic	9660	9350	9415	9740
Generali Assic	63000	61200	61500	63000
IFIL rnc	3890	3700	3700	3880
IMI	29200	27650	27950	29400
INA	5265	4860	4970	5280
Italgas	7630	7250	7385	7640
Mediaset	10400	10100	10130	10475
Mediobanca	21750	20200	20300	22150
Montedison	1898	1820	1820	1906
Olivetti	4445	4060	4160	4370
Parmalat	2680	2540	2580	2700
Pirelli	5100	4765	4810	5150
RAS	23950	23400	23500	24300
Rolo Banca	43650	41200	41200	43900
S Paolo Torino	27900	26350	26600	27900
Telecom Italia	14490	14070	14135	14730
TIM	12570	12015	12130	12635

Montreal
Industrials index: 3587.88 Previous: 3745.40
www.me.org

	High	Low	Close	Prev.
BCE Mob Com	37.00	36.25	36.25	38.55
Biochem Pharm	27.90	25.85	26.55	28.95
Cdn Util A	40.70	38.00	39.00	40.70
CT Finl Svc	52.90	48.00	48.00	53.00
Gt-West Lifeco	47.50	44.75	45.00	47.50
Imasco	26.65	22.00	26.55	27.25
Investors Grp	21.50	19.50	19.90	21.25
Loblaw Cos	31.60	30.05	30.10	32.50
Natl Bk Canada	21.00	19.05	20.40	21.70
Power Corp	30.75	28.65	29.75	31.50
Power Finl	30.50	29.05	30.25	31.75

Late trading

Oslo
OBX index: 533.06 Previous: 556.25
www.ose.no

	High	Low	Close	Prev.
Aker A	110.00	101.00	101.00	111.00
Aker Maritime	95.00	89.00	92.00	99.00
Bergesen Dy A	108.00	100.50	108.00	108.00
Christiania Bk	29.00	26.50	26.50	29.50
Den norske Bk	31.30	28.80	29.10	32.10
Kvaerner	195.00	174.00	175.00	200.00
Netcom	253.00	237.00	253.00	255.00
Norsk Hydro	297.50	289.00	294.50	303.00
Norske Skog A	225.00	217.00	218.00	227.00
Nycomed Amer	49.00	48.00	48.50	48.50
Orkla A	125.00	119.50	120.00	126.00
Petlm GeoSvc	108.50	89.00	101.00	107.00
Saga Petlm A	88.00	82.00	84.00	88.50
Schibsted	98.50	93.00	96.00	100.00
Storebrand	54.00	50.50	52.00	54.00

Paris
CAC-40: 3745.64 Previous: 3913.17
www.bourse-de-paris.fr

	High	Low	Close	Prev.
Accor	1415	1370	1383	1431
AGF	345	333.70	337	345.60
Air Liquide	825	797	815	823
Alcatel Alsth	1072	1005	1010	1094
Alstom	154	142.40	143	154
Axa	753	732	733	766
BIC	350	327.10	340	347
BNP	417.50	400	404	426.90
Bouygues	1158	1115	1130	1137
Canal Plus	1263	1193	1201	1255
Cap Gemini	972	936	940	985
Carrefour	3269	3190	3199	3272
Casino	529	517	526	531
CCF	473	452	452	481
Christian Dior	603	582	590	614
Danone	1650	1594	1594	1640
Dassault Sys	309	304	305	310.40
Dexia France	813	795	806	816
Elf-Aquitaine	636	605	605	642
Eridania BS	1088	1050	1075	1093
Essilor Intl	2315	2220	2315	2328
Eurodisney	9.40	9.10	9.10	9.45
Eurotunnel	6	5.65	5.70	6.10
France Telecom	471.20	446	446	477
Lafarge	530	507	510	542
Lagardere	225.70	221	223	227.20
Legrand	1370	1329	1329	1372
L'Oreal	3406	3320	3325	3490
LVMH	1004	982	982	1007
Michelin B	278	265.40	265.40	279
Paribas A	538	517	529	540
Pechiney A	196	187.40	189.90	198.10
Pernod Ricard	400	387	387	408
Peugeot Cit	1051	1006	1012	1075
Pinault-Prtnt	949	925	945	947
Promodes	3895	3840	3870	3910
Renault	284.40	265.90	268.40	289.80
Rexel	509	485.10	498	507
Rh-Poulenc A	295.10	288.20	290	296.10
Sanofi	687	650	660	690
Schneider	351.90	337.10	337.30	357
STMicroelec	361.10	346	352.10	368
Ste Generale A	1151	1107	1108	1168
Sodexho Allianc	1061	1022	1061	1051
St Gobain	912	837	837	915
Suez Lyon Eaux	994	960	960	1005
Synthelabo	960	876	923	894
Thomson CSF	206.60	195.50	198	211
Total B	605	581	590	610
Usinor	67	62.50	64	68.30
Valeo	484	452.20	458	481.10
Vivendi	1205	1175	1197	1213

Prague
PX 50 index: 394.90 Previous: 425.90
www.pse.cz

	High	Low	Close	Prev.
Cesko Sporitelna	237.90	186.12	186.12	245.10
CEZ	690	592.70	592.70	677.70
Cesko Plavba	60.01	60.01	60.01	60.01
Cokoladovny	5650	5650	5650	5650
Komercni Bnka	799	700.70	700.70	799.20
SPT Telecom	424	391	391.90	428.30
Unipetrol	67.94	62	62.73	67.26

São Paulo
Bovespa index: 6771.37 Previous: 7347.74
www.bovespa.com.br

	High	Low	Close	Prev.
Bco Brasil Pfd	11.10	10.70	10.89	11.31
Bradesco Pfd	7.51	7.00	7.51	7.75
Brahma Pfd	600.00	575.00	585.00	595.00
Cemig Pfd	23.20	21.40	21.86	24.70
CESP Pfd	18.30	16.80	16.90	18.60
Copel Pfd B	6.66	6.20	6.20	7.25
Eletrobras	19.50	17.50	17.80	20.10
Eletropaulo Pfd	58.00	51.01	51.01	60.90
Gerdau Pfd	14.00	14.00	14.00	14.00
Itaubanco Pfd	580.00	535.00	535.00	586.00
Light Servicios	245.00	245.00	245.00	262.00
Petrobras Pfd	141.00	130.01	135.00	145.00
SABESP	109.11	100.00	102.00	110.00
Telebras Pfd	92.00	85.50	88.30	95.00
Telerj Pfd	44.00	38.50	39.10	43.24
Telesp Pfd	194.99	175.00	177.00	195.50
CVRD Pfd	15.50	15.50	15.50	15.70

Late trading

Seoul
Composite index: 313.92 Previous: 317.56
www.kse.or.kr

	High	Low	Close	Prev.
Daewoo Heavy	5000	4850	4850	4985
Hyundai Elec.	28200	27800	27950	27900
Kookmin Bank	4100	3830	3870	4200
Korea El Pwr	18000	17200	17700	18000
LG Electronics	10600	10300	10500	10400
LG Semicon	9000	8800	8900	8960
Pohang Iron St	46400	45300	46000	46300
Samsung Display	35550	34600	34800	35600
Samsung Elec	46600	45150	46000	46900
Samsung Fire	263000	257500	261000	261000
Shinhan Bank	3370	3050	3160	3270
SK Telecom	470000	455000	460000	473500

Shenzhen
B shares index: 56.34 Previous: 56.28

	High	Low	Close	Prev.
Bengang Steel	0.86	0.82	0.86	0.84
China Intl Marin	3.36	3.28	3.33	3.37
Guandg El Pwr	2.30	2.16	2.29	2.28
Konka Group	3.95	3.91	3.95	3.98
Shandg Chenm	2.33	2.19	2.33	2.29
SZ Fangda	4.92	4.80	4.81	4.91
Shenzhen Seg	1.76	1.73	1.74	1.74
Tsann Kuen	1.44	1.35	1.44	1.41

B shares only, quoted in Hong Kong dollars.

Singapore
Straits Times: 910.88 Previous: 925.85
www.ses.com.sg

	High	Low	Close	Prev.
City Devlts	3.64	3.52	3.54	3.56
Cycle Carriage	3.18	2.89	2.89	3.18
Dairy Farm Int *	1.01	0.98	1.00	0.99
DBS foreign	7.20	6.95	7.05	7.20
DBS Land	1.16	1.13	1.14	1.15
Fraser & Neave	3.30	3.04	3.08	3.10
HK Land *	0.90	0.88	0.89	0.89
Jard Matheson *	1.87	1.74	1.80	1.87
Jard Strategic *	1.25	1.20	1.23	1.25
Keppel Corp.	1.65	1.53	1.57	1.63
OCBC foreign	5.15	5.05	5.05	5.10
OS Union Bk F	2.72	2.67	2.67	2.75
Sing Air foreign	7.55	7.00	7.55	7.15
Sing Land	2.50	2.43	2.46	2.48
Sing Press	13.50	12.90	13.30	13.20
Sing Tech Eng	1.58	1.48	1.56	1.49
Sing Tech Ind	1.28	1.20	1.23	1.21
Sing Telecomm	2.77	2.64	2.72	2.66
Utd OSea Bk F	4.78	4.68	4.76	4.70

*: in U.S. dollars.

Stockholm
SX 16 index: 3735.41 Previous: 3891.43
www.xsse.se

	High	Low	Close	Prev.
AGA B	112.00	106.00	106.50	110.00
ABB A	92.00	88.00	89.00	91.00
ABB B	91.50	87.00	88.50	90.50
AssiDoman	198.00	190.50	192.00	198.00
Astra A	141.00	136.50	138.00	139.50
Astra B	137.00	132.00	132.50	135.00
Atlas Copco A	179.50	165.00	167.50	180.00
Electrolux B	137.50	128.00	130.50	138.00
Ericsson B	198.50	189.00	189.00	200.00
Forenings Spar	205.00	190.00	199.50	205.50
Hennes B	582.00	560.00	566.00	588.00
Incentive A	93.00	87.00	91.00	93.00
Investor B	396.00	384.00	387.00	398.00
NetCom Sys	330.00	312.00	314.00	335.00
Nordbanken Hdg	52.00	49.00	49.00	52.00
Pharm/Upjohn	387.00	373.00	377.00	385.00
Sandvik B	173.50	164.50	164.50	174.00
Scania B	200.50	194.00	195.00	203.00
SCA B	185.00	176.00	177.00	189.00
S-E Banken A	111.50	103.00	103.50	112.00
Skandia Fors	127.50	118.50	121.00	129.50
Skanska B	342.00	325.00	330.00	345.00
Stora A	102.50	96.00	97.00	102.50
Sv Handels A	337.50	326.00	326.00	342.00
Volvo B	235.50	230.50	232.50	237.00

Sydney
All Ordinaries: 2568.60 Previous: 2608.00
www.asx.com.au

	High	Low	Close	Prev.
Amcor	6.75	6.63	6.74	6.73
AMP	21.33	20.75	20.80	21.49
ANZ Bking	9.68	9.38	9.38	9.80
Aust. Gas Light	9.92	9.75	9.77	9.98
BHP	13.17	12.81	12.82	13.36
Boral	2.51	2.38	2.38	2.51
Brambles Ind.	34.92	34.40	34.40	35.11
CBA	19.15	18.95	19.05	19.25
CC Amatil	4.44	4.25	4.35	4.55
Coles Myer	6.43	6.27	6.30	6.48
Colonial	5.40	5.17	5.35	5.31
Comalco	5.90	5.66	5.80	6.06
CSR	3.64	3.54	3.57	3.72
Fosters Brew	3.61	3.54	3.60	3.60
Gen. Prop. Tr.	2.66	2.59	2.60	2.65
Lend Lease	33.65	33.22	33.57	33.74
Nat Aust Bank	22.87	22.60	22.60	22.98
Nat Mutual Hdg	2.83	2.75	2.80	2.84
News Corp	11.95	11.76	11.83	11.98
Pioneer Intl	3.31	3.25	3.30	3.45
Pub Broadcast	6.35	6.25	6.30	6.44
Rio Tinto	17.80	17.62	17.80	18.09
St George Bank	10.29	10.10	10.25	10.40
Southcorp	4.24	4.07	4.11	4.30
Telstra	4.48	4.39	4.42	4.47
WMC	4.54	4.46	4.50	4.62
Westfield Trust	3.14	3.11	3.14	3.15
Westpac Bking	9.78	9.70	9.73	9.89
Woodside Pet	7.80	7.66	7.78	7.82
Woolworths	5.13	5.03	5.13	5.12

Taipei
Stock Market index: 6813.38 Previous: 6814.33
www.tse.com.tw

	High	Low	Close	Prev.
Acer	34.80	33.30	34.00	34.30
Adv. Semi	51.00	48.50	50.50	50.00
Asustek Comp.	260.00	250.00	258.00	255.00
Cathay Life Ins.	99.00	97.00	98.50	100.00
Chang Hwa Bk	51.00	49.70	50.50	51.50
China Develpmt	61.00	58.50	60.50	60.00
China Steel	19.40	19.30	19.40	19.60
First Comm. Bk	51.00	49.30	49.90	51.00
Formosa Plastic	38.00	37.00	38.00	38.10
Hon Hai Prec.	166.00	157.00	165.00	159.00
Hua Nan Bk	51.00	49.80	51.00	51.50
Intl Comm. Bk	34.80	33.50	34.80	34.40
Nan Ya Plastics	31.80	31.20	31.80	32.00
Shin Kong Life	54.50	52.50	53.50	55.00
Taiwan Semi	65.00	62.00	64.50	64.00
Utd Micro Elec.	33.50	31.30	32.70	33.00
Utd World Chin.	32.00	30.50	30.90	32.10

Tel Aviv
Tel Aviv 25 index: 300.11 Previous: 310.60
www.tase.co.il

	High	Low	Close	Prev.
Bk Hapoalim	9.30	8.81	8.85	9.42
Bk Leumi	6.08	5.90	5.92	6.16
Bezeq Isr Tel	11.42	11.00	11.12	11.31
IDB Dev.	92.20	85.90	88.70	93.10
Israel Chem.	4.35	4.18	4.23	4.30
Isr Discount Bk	4.15	4.00	4.02	4.19
Koor Industries	389.00	375.00	376.00	389.00
M.A. Industries	9.95	9.39	9.42	9.97
Teva Pharm.	142.40	138.20	138.80	140.70

Tokyo
Nikkei 225: 14413.79 Previous: 14866.03
www.tse.or.jp

	High	Low	Close	Prev.
Acom	7350	7100	7100	7350
Advantest	6400	6330	6370	6470
Ajinomoto	1093	1075	1080	1103
All Nippon Air	470	446	455	444
Asahi Bank	430	410	426	435
Asahi Brew	1716	1670	1699	1716
Asahi Chem	450	430	440	443
Asahi Glass	687	664	678	680
Bk Tokyo Mitsu	1055	1008	1033	1095
Bridgestone	3420	3160	3160	3450
Canon	3250	3110	3110	3310
Cent. Japan Ry	5950a	5910a	5910a	5970a
Chubu Elec	2070	2040	2055	2070
Chugoku Elec	2105	2080	2095	2115
Dai Nipp Print	2080	2040	2050	2090
Dai-Ichi Kang	605	582	582	600
Daiwa House	1205	1178	1187	1196
Daiwa Sec	484	466	476	492
DDI	3400a	3200a	3300a	3500a
Denso	2200	2100	2155	2235
East Japan Ry	6820a	6690a	6720a	6830a
Eisai	1754	1723	1733	1805
Fanuc	4700	4600	4650	4840
Fuji Bank	402	369	391	396
Fuji Photo	4950	4750	4750	4950
Fuji TV Netwk	5400a	5030a	5350a	5470a
Fujitsu	1451	1431	1433	1460
Hachijuni Bk	1100	1050	1078	1120
Hitachi	729	705	707	732
Honda Motor	5020	4880	4890	5130
IBJ	581	566	566	588
Ito-Yokado	6280	6200	6210	6230
JAL	346	340	343	345
Japan Tobacco	9470a	9260a	9390a	9470a
Jusco	2300	2245	2300	2265
Kansai Elec	2300	2270	2275	2290
Kao	2275	2225	2230	2285
Kawa Steel	209	199	203	209
Keyence	15000	14830	14840	15400
Kinki Nipp Ry	601	595	597	596
Kirin Brewery	1150	1105	1121	1150
Komatsu	630	600	610	631
Kyocera	6200	6020	6040	6590
Kyushu Elec	2130	2045	2070	2105
LTCB	52	48	51	52
Marui	2025	1980	1995	2025
Matsu Comm	4830	4720	4800	4900
Matsu Elec Ind	1995	1983	1986	2000
Matsu Elec Wk	1069	1052	1067	1070
Matsu-kotobuki	3530	3300	3530	3350
Minebea	1475	1440	1465	1477
Mitsubishi	780	745	760	785
Mitsubishi El	277	266	273	275
Mitsubishi Est	1124	1105	1105	1142
Mitsubishi Hvy	508	478	478	512
Mitsubishi Tr	725	675	690	750
Mitsui	737	721	728	738
Mitsui Marine	576	541	575	593
Mitsui Fudosn	982	952	952	996
Murata Mfg	4640	4580	4580	4710
NEC	1096	1062	1062	1097
Nichiei	9400	9260	9330	9950
Nikko Sec	464	440	447	471
Nintendo	13450	13050	13450	13520
Nipp Express	645	600	602	653
Nippon Oil	363	340	346	365
Nippon Paper	424	400	416	408
Nippon Steel	234	227	228	234
Nissan Motor	418	395	395	435
Nomura Sec	1456	1405	1424	1455
NTT	1110b	1090b	1090b	1130b
NTT Data	5130a	5030a	5100a	5200a
Oji Paper	475	450	450	472
Omron	1672	1650	1650	1950
Oriental Land	4890	4700	4730	4920
Orix	9950	9400	9930	9700
Osaka Gas	357	347	347	355
Promise	6360	6200	6300	6560
Ricoh	1454	1391	1415	1457
Rohm	15120	15020	15020	15200
Sakura Bk	255	234	250	259
Sankyo	3130	3020	3090	3130
Sanwa Bank	900	860	885	917
Sanyo Elec	372	350	370	370
Secom	8150	7750	7750	8170
Seibu Rwy	4030	3910	3910	4030
Sekisui House	1080	1010	1010	1085
Seven-Eleven	8450	8260	8290	8350
Sharp	910	870	871	900
Shin-etsu Ch	2080	2025	2055	2100
Shiseido	1450	1400	1430	1468
Shizuoka Bk	1299	1275	1290	1286
SMC	10260	10100	10170	10260
Softbank	6470	6260	6320	6500
Sony	11240	11030	11130	11220
Sony Music Ent	5400	5300	5400	5400
Sumitomo	607	576	590	611
Sumitomo Bk	1104	1041	1095	1125
Sumit Chem	395	378	385	396
Sumit Elec	1730	1191	1191	1238
Sumit Marine	750	722	729	746
Sumit Metal	183	178	180	184
Sumit Trust	359	343	351	364
Suzuki Motor	1285	1250	1265	1264
Taisho Pharm	2870	2830	2870	2835
Takeda Chem	3750	3680	3700	3750
Takefuji	6710	6550	6550	6750
TDK	9870	9750	9810	9850
Tohoku El Pwr	2025	2000	2015	2025
Tokai Bank	550	527	530	542
Tokio Marine	1160	1080	1160	1230
Tokyo El Pwr	2545	2505	2520	2550
Tokyo Electron	3400	3280	3320	3430
Tokyo Gas	292	288	290	295
Tokyu Corp.	350	338	346	346
Toppan Print	1444	1414	1430	1445
Toray Ind	620	603	620	620
Toshiba	542	528	528	547
Toyo Trust	459	420	459	466
Toyoda Loom	2265	2220	2225	2275
Toyota Motor	3130	3030	3030	3160
West Japan Ry	4980a	4860a	4930a	4940a
Yamanouchi	3080	2980	2980	3070
Yamato Transp.	1530	1495	1530	1523
Yasuda Fire	556	526	530	556

a: x 100; b: x 1,000

Toronto
TSE Industrials: 5812.25 Previous: 6172.30
www.tse.com

	High	Low	Close	Prev.
Abitibi Cons.	15.20	12.25	13.45	15.65
Alberta Energy	30.00	28.00	29.10	30.00
Alcan Alum	32.80	29.00	32.00	33.60
Ballard Pwr Sys	31.80	29.80	30.30	33.25
Bk Montreal	59.00	53.80	58.10	60.60
Bk Nova Scotia	28.00	24.90	27.00	28.90
Barrick Gold	23.30	22.25	22.75	24.05
BCE	55.50	51.00	53.75	56.65
BC Telecomm	39.10	38.00	38.40	39.75
Bombardier B	17.80	16.05	17.75	17.95
CIBC	32.25	29.20	31.60	33.40
Cdn Natl Rail	75.50	71.50	74.00	76.20
Cdn Nat Res	21.00	18.50	19.50	21.45
Cdn Occid Pet	23.00	19.00	21.25	23.15
Cdn Pacific	34.30	31.20	32.60	34.95
Du Pont Cda A	38.00	36.50	37.00	37.50
EdperBrascan	21.00	19.75	20.10	21.05
Fairfax Finl	505.00	462.00	475.00	512.00
Falconbridge	13.25	12.70	12.85	13.30
Geac Computer	26.85	25.75	26.55	27.25
Imperial Oil	24.00	22.50	23.00	25.10
Inco	14.85	13.90	14.25	15.10
IPL Energy	61.50	59.50	60.30	62.05
Laidlaw	14.25	13.85	14.10	14.60
Magna Intl A	100.00	97.00	100.00	100.35
Newbridge Net	36.00	32.60	34.90	37.20
Newcourt Credit	59.25	56.00	57.70	61.15
Noranda Inc	19.50	17.05	18.20	19.60
Nthern Telecom	83.40	75.60	79.65	85.00
Nova	20.30	19.50	20.05	20.80
Pancan Petlm	19.40	18.25	18.25	19.55
Petro Cda	17.40	15.05	17.00	17.85
Placer Dome	15.30	14.10	15.30	15.40
Potash Sask	87.00	79.00	82.75	89.35
Renaissance	18.50	17.00	18.05	18.50
Royal Bk Cda	64.00	58.00	62.00	65.50
Royal Grp Tech	33.50	31.00	31.80	34.00
Seagram Co	52.25	49.00	52.25	53.15
Shell Cda A	24.00	22.30	23.40	24.75
Suncor	44.50	43.50	44.50	45.25
Talisman Eny	29.60	24.00	27.25	30.00
Teleglobe	42.90	40.00	40.90	43.00
Telus	32.60	31.05	31.45	33.15
Thomson	38.25	32.00	38.25	37.90
TorDom Bank	43.00	39.00	42.50	44.60
Torstar	17.40	16.25	16.25	17.50
Transalta	20.25	18.25	20.20	21.10
TransCda Pipe	23.50	21.90	22.85	23.75
Trizec Hahn	29.75	28.75	28.90	30.30
Westcoast Eny	28.25	27.25	27.65	28.80
Weston	46.10	45.25	45.90	46.40

Late trading

Vienna
ATX index: 1191.99 Previous: 1254.65
www.wbag.at

	High	Low	Close	Prev.
Bank Austria	764	650	700	760
Bmd. Vers.	731	731	731	811
Creditanst	1010	920	945	1020
Erste Bank	737	680	701.50	737.15
EVN	1735	1600	1625	1710
Generali Hdg	2780	2560	2610	2740
OMV	1156	1040	1107.50	1155
Oest Elektriz	2101	2058	2088	2110
VA Tech	1135	1030	1085	1143.50
Wienerberg Bau	2690	2440	2512	2690

Wellington
NZSE-40 index: 1918.83 Previous: 1942.05
www.nzse.co.nz

	High	Low	Close	Prev.
Air N Zeald B	2.02	1.99	1.99	2.03
Brierly Invt	0.72	0.70	0.71	0.71
Carter Holt ord	1.68	1.66	1.67	1.71
Fletch Ch Bldg	2.60	2.55	2.60	2.70
Fletch Ch Eny	4.00	3.92	3.97	4.10
Fletch Ch Paper	1.51	1.44	1.44	1.54
Indep. News	6.40	6.35	6.35	6.40
Lion Nathan	4.25	4.18	4.18	4.25
Sky Network	2.42	2.40	2.42	2.50
Telecom NZ	8.00	7.90	8.00	8.07

Zurich
SPI index: 4311.25 Previous: 4531.98
www.bourse.ch

	High	Low	Close	Prev.
ABB B	1775	1685	1685	1775
ABB R	355	336	336	352
Adecco	724	652	655	720
Alusuisse R	1596	1520	1538	1573
Ares-Serono B	1880	1835	1845	1900
Baer Hdg B	4160	3700	3800	4200
Baloise Hdg R	1265	1175	1192	1264
BK Vision	345	315	316	345
Ciba Spec Chem	149.25	140	141.50	150
Clariant R	763	700	710	750
Crd Suisse Gp R	289	257.50	261.50	285
Ems-Chemie	8600	8200	8300	8500
Holderbank B	1589	1473	1499	1570
Liechtenst LB B	879	835	865	879
Nestle R	2860	2665	2717	2860
Novartis B	2423	2333	2342	2412
Novartis R	2420	2335	2341	2407
Oerlikon Bueh R	244	232	235	243
PharmVisn B	938	905	921	931
Pirelli R	340	310	311	318
Richemont A	1790	1580	1635	1800
Rieter Hdgs	943	875	880	921
Roche Hdg PC	15600	15000	15010	15475
SAir Group R	401.50	371	373	396
Saurer R	1255	1195	1200	1255
Schindler PC	1830	1661	1698	1800
SGS B	1829	1700	1707	1799
Sulzer R	906	837	841	898
Sulzer Medic R	302	293	295.50	299
Swatch Group B	851	802	825	845
Swatch Group R	205	198	200.50	205
Swiss Life B	950	919	930	940
Swiss Reins R	3514	3110	3122	3480
UBS R	527	495	497	524
UBS SIMA	261	256.50	261	260
Zurich Assur R	973	879	879	970

NYSE

Thursday's 4 P.M. Close

The 2,600 most traded stocks of the day.
Nationwide prices not reflecting late trades elsewhere.
The Associated Press.

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
		A-B-C								
32⅝	21¼	AAR s	.34	1.4	19	474	24⅞	23¾	24⅛	-⅜
37	24⅛	ABM	.48	1.7	22	113	28⅛	27⅞	27⅞	-⅛
22⅞	18⅛	ABN Am	.63e	2.9	–	953	22⅛	21⅞	22⅛	-1⅛
43	27⅞	ACE Ltd s	.36f	1.2	8	6411	32⅞	29⅞	30⅞	-2⅞
11⅛	8	ACMIn	.90a	11.1	4	2869	8⅛	7⅞	8⅛	-⅛
8⅞	7⅛	ACM Opp	.63	7.9	9	287	8⅛	7⅞	7⅞	-⅜
10⅞	7⅞	ACM Sc	.90	11.2	9	2228	8⅛	7⅞	8⅛	-⅛
7⅞	6⅛	ACMSp	.54	8.6	9	1858	6⅛	6⅛	6⅛	
15	8⅛	ACMMD1.35		14.9	9	1240	9⅛	9	9⅛	-⅛
10⅞	7⅞	ACM'Nt	.90a	11.1	9	821	8⅛	7⅞	8⅛	-⅛
15⅛	13⅛	ACMMu	.87	6.3	9	146	14	13⅞	13⅞	-⅛
29⅛	20⅛	ACNielS			–	835	22⅛	21⅛	21⅛	-1⅛
27⅛	18⅞	ACX Tech			–	20	21⅛	20⅞	20	-⅛
58	29⅞	AES Cp			–	2420	53⅞	30⅞	52⅞	29⅞ -⅛
85⅞	51	AES pfT	2.69	6.3			52	53 d	49	51 -1⅛
38⅞	22⅛	AFLAC s	.36	.9	18	5677	39⅞	38⅞	39⅞	-1⅞
34⅞	8⅞	AGCO	.04	.4		412	8⅞	9⅛	9	9⅛ -⅛
22⅞	17⅞	AGL Res	1.08	5.9	16	614	18⅞	18⅛	18⅛	-⅜
15⅛	5⅞	AIM EEq s		416e	91.2	.9	1246	5⅞	d 4⅛	4⅞ -1
17⅞	5⅛	AJL		1.44	24.5	–	149	6⅛	5⅞	5⅞ -⅛
24	14⅞	AK Steel s	.50	3.4	7	1213	15⅞	d14⅛	14⅛	-⅛
25⅞	22⅛	AMB Prn	1.37	5.6	–	888	25⅞	24½	24½	-⅛
31	16⅛	AMF n			dd	538	14⅛	13⅛	13⅛	-⅛
24⅛	20⅞	AMLI Rs	1.76	8.4	15	248	21⅞	20⅞	20⅞	-⅛
89⅞	50⅞	AMR s			–	8209	58⅞	54⅞	55⅞	-4½
19⅞	4⅞	APT Sat			–	525	4⅛	d 3⅞	4	-⅛
26⅞	16⅞	ARM Fnct	.16f	.9	11	x845	17⅞	17	17⅛	-1⅛
31⅞	15	ASA Ltd	.80	5.5	q	2170	14⅞	d13⅞	14⅛	-⅛
68⅞	39	AT&T	1.22	2.4	18	50124	56⅞	55⅞	56⅛	-⅛
39⅞	14⅞	AVX Cp	.20	1.6	12	1304	17⅞	16⅞	16⅞	-⅛
71⅛	31⅞	AXA UAP	.76e	1.3	–	1839	61⅛	59⅞	59⅞	-2⅞
19⅞	9⅞	Aames	.13	1.4	8	2526	9⅞	d9⅞	9⅞	-⅛
45⅞	28⅞	AbtLab s	.60	1.4	20	30266	42⅞	42⅞	42⅞	-1⅞
55⅞	21	AbvFrch			–	51	7⅞	50⅞	47⅞	47⅞
18⅞	10	Abitibi g	.40		–	1654	10 d	7⅞	8⅛	-1⅛
9⅞	5⅞	AcadiaRt	.80	13.9	dd	301	6 d	5⅞	5⅞	-⅛
28⅞	21⅛	Acptlns			–	9	502	22⅛	21⅛	21⅛ -⅛
39⅞	17	AccuSoft			–	161	47⅞	16⅞	d16	-⅛
24⅞	14	AckGrp	.02	.1	17	16	24⅞	22	21⅞	21⅞
17⅞	2⅞	ACsalesMd			–	dd	3⅞	2	2⅞	2⅞ +⅛
28⅞	15⅞	Acuson			23	2928	16⅞	16⅞	16⅞	-⅛
28⅞	22⅞	AdeEx	1.96e	8.3	–	618	24⅞	23⅞	23⅞	-⅛
12⅞	8⅞	Adelphia			–	53	12⅞	22⅞	24⅞	22⅞
17⅞	6⅞	AdvCnG n			–	1246	7 d	6⅞	6⅞	-⅛
40	15⅞	AMD			dd	36094	16⅞	d15⅞	15⅞	-1⅛
33⅞	21	Advest	.16	.7	11	639	22⅞	21⅞	21⅞	-⅛
11⅞	3⅞	AdvMic			19	833	23⅞	22⅞	23⅞	23⅞
111⅞	36⅞	Aegon s	1.02e	1.2	41	849	90⅞	88⅞	88⅞	-3⅞
14⅞	6⅞	AetnaRetn			16	474	8⅞	8	8⅛	-⅛
72⅞	42⅞	AetnVlck	.88	2.1	9	1008	43⅞	d44⅞	44⅞	-2⅞
106⅞	45	Aetna Inc	.80	1.2	13	6535	67⅞	d63⅞	64⅞	-3⅞
96⅞	66	Aetna pfC	4.76	7.2	–	367	67⅞	d66⅞	65⅞	-1⅞
39⅞	21⅞	AffCmpSv			–	32	22⅞	22	22⅞	
39⅞	22⅞	AffMgrs n			–	36	23⅞	23⅞	23⅞	-⅛
15⅞	9⅞	AffSvc			13	158	14⅞	d13⅞	13⅞	-1⅞
10⅞	3⅞	AgricLn g	.02e	.7	–	1846	3 d	2⅞	2⅞	-⅛
22⅞	17⅞	AgreeRlt	1.84	10.0	13	229	18⅞	18	18⅞	-⅛
43⅞	28⅞	AgriBnd n			–	1056	30⅞	30⅞	30⅞	-⅛
15⅞	9⅞	AgriGold g	.11	1.3	–	1619	8⅞	d 7⅞	8⅞	-⅛
83⅞	53⅞	Ahmanson	.88	1.7	13	1349	53 d	48⅞	50⅞	-3⅞
35	23⅞	Ahold	.34e	1.3	24	152	27⅞	26⅞	27	-⅛
45⅞	32⅞	AirProd s	.60	1.9	14	1739	33⅞	32⅞	33⅞	-1⅛
19⅞	9⅞	AirNet			19	595	16⅞	16⅞	16⅞	-⅛
42⅞	20⅞	AlbFrfs	.16f	.8	7	6682	20⅞	d19⅞	20⅞	-⅛
19⅞	12⅞	Alcoa			32	1663	72⅞	72⅞	72⅞	-⅛
14⅞	11⅞	AlcSpse	1.64	13.0	–	6323	56	63⅞	62⅞	-1⅞
35⅞	29⅞	AirTouch			–	244	51½	49⅞	51⅞	-⅛
53⅞	31⅞	AlrTch pfC	1.74	3.4	–	316	89⅞	87	89	
92⅞	54	AirTch pfC	2.13	2.4	–	2	88⅞	88⅞	88⅞	-⅛
25⅞	21⅞	AlaPwr n	1.76	7.1	–	243	24⅞	24⅞	24⅞	
25⅞	24⅞	AlaP4Rt	1.75	7.1	–	243	24⅞	24⅞	24⅞	
62⅞	27⅞	AlskAir			9	2269	43⅞	40⅞	41⅞	-2⅞
30	20⅞	Albmrle	.40a	2.3	12	310	20⅞	d19⅞	19⅞	
27⅞	16⅞	Alexander	.36	2.0	11	811	18⅞	17⅞	17⅞	-1⅛
25⅞	18⅞	AlbrtE g			–	282	19⅞	d17⅞	18⅞	-⅛
32⅞	21⅞	Alberto	.24	1.1	16	1555	21⅞	d21⅞	21⅞	-⅛
38⅞	20	AlbCulA	.24	1.1	14	1336	19⅞	d19⅞	19⅞	-⅛
34⅞	22⅞	Albertsn	.68	1.3	24	2412	52⅞	52	53	-⅛
36⅞	21⅞	Alcan	.40	3.0	11	5318	21⅞	d19	19⅞	-1⅞
47⅞	21⅞	Alcatel	.36e	1.3	dd	2148	34⅞	29⅞	29⅞	-5⅞
14⅞	12⅞	AllAmTsr	.96	7.1	–	17	13⅞	13⅞	13⅞	-⅛
24	26⅞	AllnEnrgy	1.72	6.0	q	1726	29⅞	28⅞	28⅞	-⅛
22⅞	17	AllegTeldy	.44	4.0	12	x3256	17⅞	d16⅞	16⅞	-1
33	3⅞	Allegiance s			–	34	4178	31⅞	29⅞	30⅞ -1
8	3	AllenTel			59	694	8⅞	7⅞	8	-⅛
55⅞	31⅞	Allergn	.52b	1.0	–	5842	52⅞	51	52⅞	-⅛
48	27⅞	AllJMkt	4.92e	12.8	q	119	38⅞	38⅞	38⅞	
29	15⅞	AllCap s	1.59r	7.0	14	2242	24	22⅞	22⅞	-1⅛
17⅞	10⅞	AllWld	1.53a	13.8	q	380	11⅞	11⅞	11⅞	-⅛
15	7⅞	AllWhld	1.32	16.0	q	466	8⅞	8⅞	8⅞	
69	53⅞	AllTch			13	2239	67⅞	67	67⅛	-⅛
47⅞	25	AllsGrp s	.52	1.1	25	701	47⅞	47⅞	47⅞	-⅛
24	13⅞	AllstHldg			35	213	14⅞	13⅞	13⅞	
85⅞	51	Allstate	.60	1.1	17	1725	44	43⅞	43⅞	-⅛
47⅞	31⅞	AltStgnl	.60	1.7	17	1725	44	43⅞	44⅞	-⅛
75⅞	41⅞	AlmaFn	.20	.3	14	1134	48⅞	44⅞	44⅞	-⅛
52⅞	35⅞	Alstate s			9	x3024	40⅞	38⅞	39⅞	-⅛
24⅞	14⅞	Alst pfA	1.59	7.4	–	182	24⅞	26	26⅞	+⅛
48⅞	30⅞	AltEl	1.16	2.6	18	8867	44⅞	44	44½	-⅛
25⅞	18⅞	Alphanrc	.18	.7	20	x726	25⅞	25	25⅞	+⅛
6⅞	2⅞	Alphm wt			–	124	6⅞	5⅞	6⅞	-⅛
19⅞	12⅞	AlphaGr			–	19	17	17	17⅛	-⅛
34⅞	25⅞	Altamin n			–	7	27	24⅞	24⅞	-⅛
85⅞	62⅞	Alcoa	1.00a	1.7	121	8840	61⅞	d61⅞	59⅞	-3⅞
52⅞	24⅞	Altiz	.58		dd	17616	39⅞	36⅞	38⅞	-2⅞
45⅞	38⅞	AmbacFn	.20	.5	14	2061	52⅞	50⅞	51⅞	-2
25⅞	14⅞	AmbdcXR n	1.77f	.1	–	168	26⅞	24⅞	25	-⅛
16⅞	8⅞	AmdcCs n			–	571	10⅞	9⅞	9⅞	-⅛
31⅞	28⅞	AmrUst n			–	138	28⅞	d27⅞	27⅞	-1⅛
64⅞	46	AmHes	.60	1.2	dd	3664	51⅞	49⅞	49⅞	-1⅞
34⅞	25⅞	Amerchm n	2.54	6.4	16	1162	40⅞	39⅞	39⅞	-⅛
9⅞	6⅞	AmrFMl n	.27p		–	179	7	6⅞	6⅞	-⅛
140½	32	AmOnline s			cc	x6789	110⅞	103⅞	105⅞	-5
31⅞	12⅞	AmWest			11	3140	12⅞	10⅞	10⅞	-⅛
14⅞	7⅞	AmWest wt			–	468	10	8	8⅛	2⅞
25⅞	19⅞	AnnNutly .10f		.6	13	508	23⅞	22⅞	22⅞	-⅛
8⅞	5⅞	AB&NHd n			–	845	5⅞	d 5	5	-⅛
66⅞	27⅞	ABanking	.44	.7	6	x6160	54⅞	50⅞	53⅞	-3⅞
133⅞	79	ABrands			11	175	109	101⅞	108⅞	-8
6⅞	2⅞	AmBkrd			dd	175	2⅞	2⅞	2⅞	-⅛
52	42⅞	AEP	2.40	5.4	13	6814	45⅞	44⅞	44⅞	-⅛
118⅞	72	AmExp	.90	1.0	21	23320	96⅞	89⅞	90⅞	-6⅞
25⅞	24⅞	AmExp DIA	1.75	7.0	–	730	25	24⅞	24⅞	-⅛
44⅞	24⅞	AFinClgs	1.00	2.9	70	831	35⅞	d34	34⅞	-1⅞
75⅞	46⅞	AGenCp	1.50	2.2	18	10573	71⅞	65⅞	66⅞	-5⅞
26⅞	25⅞	AGC pfM	2.11	8.2	–	171	25⅞	25⅞	25⅞	-⅛
94⅞	62⅞	AgnDE pf	3.00	3.2	–	5676	94	92⅞	93⅞	-⅛
52⅞	32	AGrNet	.76f	2.0	15	1827	40⅞	38⅞	38⅞	-2⅞
29	17⅞	AHERfr	2.18	9.1	14	305	24⅞	23⅞	24	-⅛
26⅞	17⅞	AHeritages	.42	2.0	17	468	21	18⅞	20⅞	-⅛
58⅞	33⅞	AHomeP s	.86	1.5	31	46268	58	55⅞	56⅞	-1⅞
102⅞	63	AmInGs	.22	.3	25	3533	69	89⅞	85	85⅞ -⅛
39⅞	19⅞	AIPC n			–	283	27⅞	26⅞	26⅞	-⅛
7⅞	3⅞	AMedia			–	70	4⅞	5⅞	5⅞	+⅛
13⅞	12⅞	AMuInvc	.75	5.6	q	121	13⅞	13⅞	13⅞	-⅛
11⅞	10⅞	AsMuTr	.660	5.6	q	127	11⅞	11⅞	11⅞	+⅛
24⅞	11⅞	APodPap			–	dd	1292	2⅞	2⅞	-⅛
26⅞	14⅞	APrec			–	21	124	15⅞	15⅞	15⅞ -⅛
11⅞	9⅞	ARExt			–	12	146	9⅞	d 9⅞	9⅞ -⅛
16⅞	6⅞	ARmRty	.20	1.4	cc	153	14⅞	14	14⅞	-⅛
16⅞	6⅞	AResIT n	1.12f	17.9	–	2270	6⅞	d 5⅞	6⅞	-⅛
25⅞	7⅞	ARetailSvc			–	dd	320	7⅞	d 6⅞	7 -⅛
23⅞	15⅞	ARetlee			32	274	15⅞	d15⅞	15⅞	-⅛
12⅞	11⅞	ASelPrt1.02a		8.5	q	387	12⅞	11⅞	12⅞	+⅛
18⅞	8⅞	ASkBrg n			–	527	9⅞	d 7⅞	7⅞	-⅛
49⅞	34⅞	AmSUnd			26	6465	44⅞	42⅞	44⅞	-⅛
32⅞	19⅞	AmSfbr	.36	1.7	27	18067	31⅞	30	30⅞	-1⅞
12⅞	11⅞	AmSIP2	.99a	8.5	q	188	12	11⅞	12	
12	11⅞	AmSIP3	.99a	8.5	q	286	11	11⅞	11⅞	-⅛
23⅞	19⅞	ATower n			–	1846	21	20	21⅞	-⅛
22⅞	17⅞	AgreeRl	1.84	10.0	13	229	18⅞	18	18⅞	-⅛
43⅞	28⅞	AgriBnd n			–	1056	30⅞	30⅞	30⅞	-⅛
15⅞	9⅞	AgriGold g	.11	1.3	–	1619	8⅞	d 7⅞	8⅞	-⅛
83⅞	53⅞	Ahmanson	.88	1.7	13	1349	53 d	48⅞	50⅞	-3⅞
35	23⅞	Ahold	.34e	1.3	24	152	27⅞	26⅞	27	-⅛
45⅞	32⅞	AirProd s	.60	1.9	14	1739	33⅞	32⅞	33⅞	-1⅛
19⅞	9⅞	AirNet			19	595	16⅞	16⅞	16⅞	-⅛
42⅞	20⅞	AlbFrfs	.16f	.8	7	6682	20⅞	d19⅞	20⅞	-⅛
19⅞	12⅞	Alcoa			32	1663	72⅞	72⅞	72⅞	-⅛
14⅞	11⅞	AlcSpse	1.64	13.0	–	6323	56	63⅞	62⅞	-1⅞
35⅞	29⅞	AirTouch			–	244	51½	49⅞	51⅞	-⅛
53⅞	31⅞	AlrTch pfC	1.74	3.4	–	316	89⅞	87	89	
92⅞	54	AirTch pfC	2.13	2.4	–	2	88⅞	88⅞	88⅞	-⅛
25⅞	21⅞	AlaPwr n	1.76	7.1	–	243	24⅞	24⅞	24⅞	
25⅞	24⅞	AlaP4Rt	1.75	7.1	–	243	24⅞	24⅞	24⅞	
62⅞	27⅞	AlskAir			9	2269	43⅞	40⅞	41⅞	-2⅞
30	20⅞	Albmrle	.40a	2.3	12	310	20⅞	d19⅞	19⅞	
27⅞	16⅞	Alexander	.36	2.0	11	811	18⅞	17⅞	17⅞	-1⅛
25⅞	18⅞	AlbrtE g			–	282	19⅞	d17⅞	18⅞	-⅛
32⅞	21⅞	Alberto	.24	1.1	16	1555	21⅞	d21⅞	21⅞	-⅛
38⅞	20	AlbCulA	.24	1.1	14	1336	19⅞	d19⅞	19⅞	-⅛
34⅞	22⅞	Albertsn	.68	1.3	24	2412	52⅞	52	53	-⅛
36⅞	21⅞	Alcan	.40	3.0	11	5318	21⅞	d19	19⅞	-1⅞
47⅞	21⅞	Alcatel	.36e	1.3	dd	2148	34⅞	29⅞	29⅞	-5⅞
14⅞	12⅞	AllAmTsr	.96	7.1	–	17	13⅞	13⅞	13⅞	-⅛
24	26⅞	AllnEnrgy	1.72	6.0	q	1726	29⅞	28⅞	28⅞	-⅛
22⅞	17	AlleqTeldy	.44	4.0	12	x3256	17⅞	d16⅞	16⅞	-1
33	3⅞	Allegiance s			–	34	4178	31⅞	29⅞	30⅞ -1
8	3	AllenTel			59	694	8⅞	7⅞	8	-⅛
55⅞	31⅞	Allergn	.52b	1.0	–	5842	52⅞	51	52⅞	-⅛
48	27⅞	AllJMkt	4.92e	12.8	q	119	38⅞	38⅞	38⅞	
29	15⅞	AllCap s	1.59r	7.0	14	2242	24	22⅞	22⅞	-1⅛
17⅞	10⅞	AllWld	1.53a	13.8	q	380	11⅞	11⅞	11⅞	-⅛
15	7⅞	AllWhld	1.32	16.0	q	466	8⅞	8⅞	8⅞	
69	53⅞	AllTch			13	2239	67⅞	67	67⅛	-⅛
47⅞	25	AllsGrp s	.52	1.1	25	701	47⅞	47⅞	47⅞	-⅛
24	13⅞	AllstHldg			35	213	14⅞	13⅞	13⅞	
85⅞	51	Allstate	.60	1.1	17	1725	44	43⅞	43⅞	-⅛
47⅞	31⅞	AltStgnl	.60	1.7	17	1725	44	43⅞	44⅞	-⅛
75⅞	41⅞	AlmaFn	.20	.3	14	1134	48⅞	44⅞	44⅞	-⅛
52⅞	35⅞	Alstate s			9	x3024	40⅞	38⅞	39⅞	-⅛
24⅞	14⅞	Alst pfA	1.59	7.4	–	182	24⅞	26	26⅞	+⅛
48⅞	30⅞	AltEl	1.16	2.6	18	8867	44⅞	44	44½	-⅛
25⅞	18⅞	Alphanrc	.18	.7	20	x726	25⅞	25	25⅞	+⅛
6⅞	2⅞	Alphm wt			–	124	6⅞	5⅞	6⅞	-⅛
19⅞	12⅞	AlphaGr			–	19	17	17	17⅛	-⅛
34⅞	25⅞	Altamin n			–	7	27	24⅞	24⅞	-⅛
85⅞	62⅞	Alcoa	1.00a	1.7	121	8840	61⅞	d61⅞	59⅞	-3⅞
52⅞	24⅞	Altiz	.58		dd	17616	39⅞	36⅞	38⅞	-2⅞
45⅞	38⅞	AmbacFn	.20	.5	14	2061	52⅞	50⅞	51⅞	-2
25⅞	14⅞	AmbdcXR n	1.77f	.1	–	168	26⅞	24⅞	25	-⅛
16⅞	8⅞	AmdcCs n			–	571	10⅞	9⅞	9⅞	-⅛
31⅞	28⅞	AmrUst n			–	138	28⅞	d27⅞	27⅞	-1⅛
64⅞	46	AmHes	.60	1.2	dd	3664	51⅞	49⅞	49⅞	-1⅞
34⅞	25⅞	Amerchm n	2.54	6.4	16	1162	40⅞	39⅞	39⅞	-⅛
9⅞	6⅞	AmrFMl n	.27p		–	179	7	6⅞	6⅞	-⅛
140½	32	AmOnline s			cc	x6789	110⅞	103⅞	105⅞	-5
31⅞	12⅞	AmWest			11	3140	12⅞	10⅞	10⅞	-⅛
14⅞	7⅞	AmWest wt			–	468	10	8	8⅛	2⅞
25⅞	19⅞	AnnNutly .10f		.6	13	508	23⅞	22⅞	22⅞	-⅛
8⅞	5⅞	ABkNHd n			–	845	5⅞	d 5	5	-⅛
66⅞	27⅞	ABanking	.44	.7	6	x6160	54⅞	50⅞	53⅞	-3⅞
133⅞	79	ABrands			11	175	109	101⅞	108⅞	-8
6⅞	2⅞	AmBkrd			dd	175	2⅞	2⅞	2⅞	-⅛
52	42⅞	AEP	2.40	5.4	13	6814	45⅞	44⅞	44⅞	-⅛
118⅞	72	AmExp	.90	1.0	21	23320	96⅞	89⅞	90⅞	-6⅞
25⅞	24⅞	AmExp DIA	1.75	7.0	–	730	25	24⅞	24⅞	-⅛
44⅞	24⅞	AFinClgs	1.00	2.9	70	831	35⅞	d34	34⅞	-1⅞
75⅞	46⅞	AGenCp	1.50	2.2	18	10573	71⅞	65⅞	66⅞	-5⅞
26⅞	25⅞	AGC pfM	2.11	8.2	–	171	25⅞	25⅞	25⅞	-⅛
94⅞	62⅞	AgnDE pf	3.00	3.2	–	5676	94	92⅞	93⅞	-⅛
52⅞	32	AGrNet	.76f	2.0	15	1827	40⅞	38⅞	38⅞	-2⅞
29	17⅞	AHERfr	2.18	9.1	14	305	24⅞	23⅞	24	-⅛
26⅞	17⅞	AHeritages	.42	2.0	17	468	21	18⅞	20⅞	-⅛
58⅞	33⅞	AHomeP s	.86	1.5	31	46268	58	55⅞	56⅞	-1⅞
102⅞	63	AmInGs	.22	.3	25	3533	69	89⅞	85	85⅞ -⅛
39⅞	19⅞	AIPC n			–	283	27⅞	26⅞	26⅞	-⅛
7⅞	3⅞	AMedia			–	70	4⅞	5⅞	5⅞	+⅛
13⅞	12⅞	AMuInvc	.75	5.6	q	121	13⅞	13⅞	13⅞	-⅛
11⅞	10⅞	AsMuTr	.660	5.6	q	127	11⅞	11⅞	11⅞	+⅛
24⅞	11⅞	APodPap			–	dd	1292	2⅞	2⅞	-⅛
26⅞	14⅞	APrec			–	21	124	15⅞	15⅞	15⅞ -⅛
11⅞	9⅞	ARExt			–	12	146	9⅞	d 9⅞	9⅞ -⅛
16⅞	6⅞	ARmRty	.20	1.4	cc	153	14⅞	14	14⅞	-⅛
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25⅞	7⅞	ARetailSvc			–	dd	320	7⅞	d 6⅞	7 -⅛
23⅞	15⅞	ARetlee			32	274	15⅞	d15⅞	15⅞	-⅛
12⅞	11⅞	ASelPrt1.02a		8.5	q	387	12⅞	11⅞	12⅞	+⅛
18⅞	8⅞	ASkBrg n			–	527	9⅞	d 7⅞	7⅞	-⅛
49⅞	34⅞	AmSUnd			26	6465	44⅞	42⅞	44⅞	-⅛
32⅞	19⅞	AmSfbr	.36	1.7	27	18067	31⅞	30	30⅞	-1⅞
12⅞	11⅞	AmSIP2	.99a	8.5	q	188	12	11⅞	12	
12	11⅞	AmSIP3	.99a	8.5	q	286	11	11⅞	11⅞	-⅛
23⅞	19⅞	ATower n			–	1846	21	20	21⅞	-⅛
22⅞	17⅞	AgreeRl	1.84	10.0	13	229	18⅞	18	18⅞	-⅛
43⅞	28⅞	AgriBnd n			–	1056	30⅞	30⅞	30⅞	-⅛
15⅞	9⅞	AgriGold g	.11	1.3	–	1619	8⅞	d 7⅞	8⅞	-⅛
83⅞	53⅞	Ahmanson	.88	1.7	13	1349	53 d	48⅞	50⅞	-3⅞
35	23⅞	Ahold	.34e	1.3	24	152	27⅞	26⅞	27	-⅛
45⅞	32⅞	AirProd s	.60	1.9	14	1739	33⅞	32⅞	33⅞	-1⅛
19⅞	9⅞	AirNet			19	595	16⅞	16⅞	16⅞	-⅛
42⅞	20⅞	AlbFrfs	.16f	.8	7	6682	20⅞	d19⅞	20⅞	-⅛
19⅞	12⅞	Alcoa			32	1663	72

Economic Woes Hit Indonesia Bank Profits

Bloomberg News

JAKARTA — Most major Indonesian banks posted significant declines in first-half profit Thursday as income was strangled by increased deposit rates and a surge in provisions for bad loans.

Profit for some of the largest lenders — such as PT Bank International Indonesia and Bank Bira — plunged more than 90 percent from a year ago after the collapse of the currency, the rupiah, triggered a surge in interest rates.

As Indonesia has slid into its first recession in three decades, lending has slowed and many companies have been unable to keep up with debt repayments.

The grim earnings reports come after the country shuttered three banks and seized ownership of four others Friday in its most comprehensive move yet to shore up its devastated financial system.

"Indonesia's banks have been expanding like crazy over the past few years by completely ignoring the central bank's limits," said Sam Chin, a banking analyst at ratings company Fitch IBCA. Now they are paying the price, he said.

The government has pumped 135 trillion rupiah ($11.37 billion) into banks in the past 12 months to help keep them afloat. Last week, it shut the Nursalim family's PT Bank Dagang Nasional Indonesia, one of the country's five largest. It seized ownership of the Salim family's PT Bank Central Asia and the Admadjaya family's PT Bank Danamon — two more of the country's top five banks. It also seized two others and closed two.

For now, "people expect to see more restructuring," said Suriaty Tansil, head of research at DBS Securities in Jakarta, adding that it may take at least a year — even at the best banks — to get balance sheets back into working order.

Bank Bira said Thursday that profit slumped to 2.5 billion rupiah in the first half, compared with 40.8 billion rupiah for the same period last year.

Bira's interest cost on rupiah accounts surged to 877.4 billion rupiah from 102.3 billion rupiah a year ago, while interest income on rupiah accounts amounted to only 358.2 billion rupiah.

Other banks present a similar picture.

Bank Universal's first-half profit dropped 81 percent, to 3.9 billion, while at Bank Niaga, profit dropped to 32.2 billion rupiah from 63.5 billion rupiah.

Interest rates have risen to record highs in the last year, with one-month government bills carrying interest rates of more than 70 percent. That has forced banks to raise their deposit rates or risk losing customers.

Even Bank Bali, considered one of Indonesia's most prudent lenders, saw first-half profit slide nearly 13 percent, to 67.9 billion rupiah from the 77.9 billion rupiah, it reported for the period last year.

The bank's interest income rose 40 percent to 256.75 billion rupiah from 183.87 billion rupiah, while a jump in provisions for bad loans to 408.1 billion from 8.7 billion a year ago weighed on the bank's bottom line.

Provisions for losses stemming from the plunge in the rupiah also surged, reflecting the likelihood of a surge in defaults among corporate clients amid the economic downturn.

Bank Bira set aside 380.6 billion rupiah to provide for bad loans in the first half, compared with 7.7 billion a year ago. Bank Universal's provisions quadrupled to 39.2 billion from 10.3, while Bank Niaga's provisions for bad loans rocketed to 730.1 billion from 28.6 billion.

Audit Delays Sumitomo's LTCB Deal

Compiled by Our Staff From Dispatches

TOKYO — Sumitomo Trust & Banking Co. said Thursday it had delayed by one month a decision on whether to buy Long-Term Credit Bank of Japan Ltd.

The delay is the result of a longer-than-expected audit of LTCB by the Financial Supervisory Agency, said Hiroshi Nakatou, a Sumitomo Trust executive.

The government audit started in mid-July and may not be complete until early September, according to government officials.

"We cannot launch our own inspection until the agency's inspection is finished," Mr. Nakatou said.

Sumitomo had been expected to decide on the purchase by September.

"As a result" of the delay, Mr. Nakatou said, "we think our inspection will not be completed until the end of October."

If the purchase goes through, Sumitomo will absorb LTCB's good loans and spit out most of the rest. LTCB's shares have collapsed because of the bad loans. LTCB would not exist as a separate entity after the merger.

After the government completes its audit of LTCB, Sumitomo Trust's own audit is expected to take a month to complete, Mr. Nakatou said. That audit is to be conducted by Arthur Andersen LLC, he said.

Despite the delay, Sumitomo Trust's basic stance toward the merger remains unchanged, he said.

Sumitomo Trust, the second-largest of seven Japanese lenders that specialize in the custody and management of assets, said in late June it would consider merging with LTCB if the bank purged its books.

LTCB last week announced a plan to dispose of about 750 billion yen ($5.19 billion) in bad and risky debt. On Tuesday, LTCB said that it estimated its risky loans at 2.824 trillion yen.

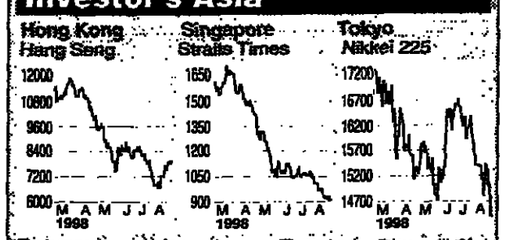
LTCB also said that it would apply for an infusion of public money as capital.

Prime Minister Keizo Obuchi and other officials have promised that the government will give its "utmost support" to the bank.

But politicians of other parties oppose injecting public money into banks that are still solvent.

LTCB's stock fell 1 yen, to 51 yen. Sumitomo Trust shares fell 13 yen, to 351 yen. *(AFP, Bloomberg)*

Investor's Asia



Exchange	Index	Thursday Close	Prev. Close	% Change
Hong Kong	Hang Seng	7,822.97	7,734.40	+1.13
Singapore	Straits Times	910.66	925.85	-1.82
Sydney	All Ordinaries	2,560.80	2,608.00	-1.82
Tokyo	Nikkei 225	14,413.79	14,866.10	-3.04
Kuala Lumpur	Composite	313.51	324.49	-3.38
Bangkok	SET	226.85	227.50	-0.29
Seoul	Composite Index	313.92	317.58	-1.15
Taipei	Stock Market Index	6,813.30	6,814.33	-0.02
Manila	PSE	1,266.99	1,287.03	-1.56
Jakarta	Composite Index	354.95	360.93	-1.66
Wellington	NZSE 40	1,910.83	1,943.05	-1.66
Bombay	Sensitive Index	2,974.88	2,993.36	-0.62

Source: Telekurs — International Herald Tribune

China to Cut Futures Marts From 14 to 3

Compiled by Our Staff From Dispatches

SHENZHEN, China — China will merge its 14 commodities futures exchanges into three markets in Shanghai, Zhengzhou and Dalian, informed sources said Thursday.

The China Securities Regulatory Commission, the market watchdog, met Thursday to discuss details of the merger, including the timetable, the sources said.

After the merger, the number of contracts traded will be reduced to 12 from 35, according to the sources, whose information was based on a State Council document.

They said that the contracts would be copper, aluminum, steel, plywood, rubber, wheat, barley, long grain rice, green beans, red beans, peanuts and soymeal.

A shake-up in the futures brokerage industry was expected by the sources after the adoption of the measures.

An official at the futures department of the regulatory commission said only: "After the meeting, the majority of the exchanges will be closed down."

At the height of the industry, there were more than 50 commodities exchanges, but the number has been pared since China began a crackdown in 1994 to control rampant speculation. *(Reuters, AFP)*

Jakarta's Pawnshops Run Out of Cash

Agence France-Presse

JAKARTA — Indonesia's economic crisis has trickled down to the corner pawnshop, a traditional source of loans for small-business owners and low-income families.

The state-run Pegadaian pawnshop has faced a cash-flow problem since mid-August. It is now unable to give out large loans, company executives said Thursday.

In a pinch, small loans — up to 5 million rupiah ($450) — are still available.

"It is not just this branch of Pegadaian that cannot give out large loans, but all of them," said Suwarno, head of a Pegadaian branch in central Jakarta.

He offered an understatement as explanation: "There is not any more money from headquarters."

Sardi, an official at the pawnshop chain, said a recent increase in interest rates for loans from the state Bank Rakyat Indonesia, one of the company's two main sources of funds, has slowed the cash flow.

"It does not make sense to borrow money with a high interest rate and then be unable to loan it out to the people," he pointed out.

The pawnshop chain is still awaiting word on a loan request submitted to its other source of funds, Central Bank Indonesia. The response so far has been notable for its silence.

The banking bust in Indonesia is directly related to the worst economic crisis in Indonesian history, which was in turn touched off when the rupiah slipped against the dollar in July 1997.

In search of funds to run households and businesses, the residents of Jakarta find themselves turning to usurers, the Indonesian Observer has reported.

Interest rates at these establishments? As high as 120 percent per year, the daily noted.

Hino Motors Now Expects Loss for Year

Bloomberg News

TOKYO — Hino Motors Ltd. on Thursday nearly quadrupled its net loss forecast for the half-year through the end of September and reversed its full-year outlook to a net loss from a net profit, as sales declined in Japan and abroad.

"It will be very difficult to reverse our outlook in any significant way," the Hino Motors president, Hiroshi Yuasa, said.

Hino, Japan's biggest truckmaker, which is affiliated with Toyota Motor Corp., revised its earnings projection to a net loss of 20.6 billion yen ($142.7 million) from its May forecast of a loss of 5.3 billion yen. It estimated its sales would be 219 billion yen, compared with its initial projection of 230.7 billion yen.

Hino also expects to report its first-ever net and pretax losses for the full-year ending March 31. It will also forgo paying a dividend, another first.

Japan's heavy-duty truckmakers — Hino, Isuzu Motors Ltd., Mitsubishi Motors Co. and Nissan Diesel Motor Co. — are suffering as the country's worst recession since World War II has choked off demand from construction companies, their biggest customers. Sales of trucks with payloads of 4 tons or more have fallen to their lowest levels since 1980, when the Japan Automobile Dealers' Association began compiling records.

Hino plans to halt production of large and midsized trucks for about six days in the October-December period, Mr. Yuasa said. On Wednesday, Nissan Diesel, said it may stop production for up to 12 days in the same period.

Hino's exports also declined because of the economic slowdown in Southeast Asia, Mr. Yuasa said.

Very briefly:

- **Moody's Investors Service** cut the ratings of **Asahi Bank Ltd.**, Japan's eighth largest city bank, and **Tokai Bank Ltd.**, seventh largest, to Baa1 from A2, over concern that contractors and real estate developers may have to struggle to repay loans.
- **Standard & Poor's Corp.** cut its rating of **Development Bank of Singapore Ltd.** for the first time, reflecting concern about bad loans from its investment in **Thai Danu Bank Public Co.**
- **Chuan Hup Holdings Ltd.**, a Singapore-based shipping company, said first-half profit more than doubled, helped by higher sales. Profit rose to 18 million Singapore dollars ($10.16 million) from 8.8 million dollars a year ago.
- **MCL Land Ltd.**, a Singapore-based real-estate company, posted a loss of 99.6 million Singapore dollars in the first half from a profit of 16 million dollars a year ago, as it set aside money for losses on property investments.
- **Acer Inc.**'s chairman, Stan Shih, will take a 30 percent pay cut as losses mount at its Taiwan chipmaking unit, **Acer Semiconductor Manufacturing Inc.**
- **Daimler-Benz Japan** has formed a joint venture in Japan to offer an auto-safety service that automatically notifies authorities in the event of an accident or other emergency.
- **Japan's** automobile production tumbled 10.7 percent in July from a year earlier. *Bloomberg, Reuters*

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RESULTS: *Profit Shrivels Up at 3 Major Hong Kong Companies*

Continued from Page13

Short sellers are hoping to buy back these shares at cheaper prices and profit from the difference.

The surge in short selling suggests the government is having little success deterring stock-market bears.

In less than two weeks, the Hong Kong Monetary Authority has spent almost $5 billion of its $96.5 billion of currency reserves to buy stocks and safeguard the Hong Kong currency.

The Monetary Authority plowed back into the market Thursday after stepping back briefly Wednesday. The intervention reversed a decline of nearly 2 percent in the Hang Sang index in a matter of minutes, and the 33-stock index ended a little more than 1 percent higher.

Many analysts say the government cannot stop buying — or worse, sell — without sending stocks tumbling or even breaking the Hong Kong currency's 15-year-old link to the U.S. dollar.

Hong Kong has no easy way to exit the markets now that it has stepped in.

To some fund managers, the intervention showed Hong Kong was no longer willing to pay the economic price of keeping its currency pegged to the dollar.

Under the currency-board system, interest rates rise whenever pressure on the Hong Kong dollar mounts. Hong Kong can no longer afford the peg now that it is mired in its deepest recession in a generation, analysts said.

When the buying began, the authority's chief executive, Joseph Yam, said the government was trying to hurt investors who sold stocks short while simultaneously selling the Hong Kong dollar, which is pegged at about 7.8 to its U.S. counterpart.

Those investors were trying to drive up interest rates so stocks would fall and they could profit by buying back shares at cheaper prices.

MALAYSIA: *Too Late for Denials as Recession Becomes Reality*

Continued from Page 1

dampened hopes that a recovery would come anytime soon.

Daim Zainuddin, the economic "special functions" minister, suggested that after months of trying to downplay the extent of the crisis — or cast blame outside to currency speculators, the foreign media or even a Jewish conspiracy — politicians are finally conceding that Malaysia now faces a meltdown as severe as Thailand and South Korea.

And at least part of the problem is homegrown, some now say.

"We must not expect an 8 percent growth rate in the future. Those were the good old days," Mr. Daim said. "I think we are facing reality now and saying the good old days will not return."

Since July 1997, when Thailand triggered the regionwide collapse by floating its beleaguered currency, the baht, Malaysia's currency has lost 40 percent of its value, its stock market has lost 75 percent of its worth, local banks have frozen all loans, new construction has halted, and joblessness — once unheard of here in a country that had to import labor — is around 4 percent to 5 percent.

While part of the overall Asian contagion, the nature of the economic crisis here differs in several key respects.

Thailand and Indonesia are saddled with a massive foreign debt burden that ballooned when the currencies of those countries collapsed relative to the U.S. dollar.

Here, the crisis is almost entirely domestically driven, with private debt held by domestic banks. Banks, told to rein in their bad debt, essentially have stopped making any loans at all, choking off most private-sector activity.

But where Thailand, South Korea and Indonesia have turned to the outside world for help, Malaysia is instead banking on its own homegrown solution. This is a stimulus package favored by Mr. Mahathir that aims to revive economic activity by lowering interest rates and using government spending on big-ticket projects.

Some here question the wisdom of choosing a stimulus package without first implementing some of the structural reforms and liberalizations mandated in some International Monetary Fund programs.

KOREA: *Output Takes Plunge*

Continued from Page 1

Korean War. Manufacturing output declined by 10 percent in the second quarter, after falling by 6.4 percent in the first quarter, and the government reported factories running at only 63.7 percent of capacity.

The construction industry, another bellwether of economic health, dropped 12.1 percent in the second quarter, after falling 7.5 percent in the first quarter.

Another sign of economic shrinkage was an 8.5 percent drop in wholesale and retail earnings, on top of a 5 percent decline in the first quarter.

The negative statistics represented a reversal from more than 30 years of almost unbroken progress in which the gross domestic product shot up by an average of 8 percent a year in what has been dubbed the "Korean miracle." Even in the last quarter of 1997, as the economy slipped into crisis, output rose by 3.9 percent.

"The only thing they can do now is try to prevent depression setting in next year," said Stephen Marvin, head of research at Jardine Fleming. "We are clearly in deep recession."

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NOTICE OF MEETING

The Board of Directors proposes to the shareholders of FMG MIR SICAV ("the Fund") to amend the Articles of Incorporation of the Fund ("the Articles") in order to introduce the fractional registered and bearer shares to one thousandth of a share.

In consequence the Article 5 will be amended and a draft of the coordinated Articles of Incorporation may be obtained upon request at the Fund's registered office.

For that purpose, the shareholders are hereby convened to an Extraordinary General Meeting to be held at the Fund's registered office at 10A, Boulevard Royal, Luxembourg,

on Wednesday September 23, 1998 at 14h00

The required attendance at the meeting is at least 50% of the shares outstanding in the Fund. In order to be carried, the resolution need to be approved by a majority of two thirds of those shares present or represented at the meeting. Each share carries one vote irrespective of its net asset value.

In order to attend the meeting or to be represented, the owners of bearer shares are required to deposit their shares five clear days prior to the date of the meeting at the Fund's registered office where proxy forms are available.

The present notice and a proxy form have been sent to all registered shareholders. The registered shareholders have to inform by mail (letter or proxy form) the Board of Directors of their intention to assist at the meeting in the same delay.

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m Global Resources Sec Eq	$	29.59-
m Latin America Eq Fd	$	30.59-
m North America Eq Fd	$	118.14-
m Asian Tigers Eq Fd	$	27.95-
m Europe Equity Fd	$	139.19-
m Japan Equity Fd	$	36.43-
m Germany Equity Fd	DM	316.12-
m Japan Bond Fd	$	71.36-
m Europe Bond Fd	$	72.76-
m US Bond Fund	$	46.68-
m Germany Bond Fd B	DM	117.42-
m Spain Bond Fund	Pts	12982.00+
m Eastern Europe Eq Fd	DM	27.95-
m China Equity Fd	$	49.53-
m Switzerland Equity Fd	SF	421.00-
m Asia Em Markets Eq Fd	$	31.12-
m Netherlands Eq Fd	Fl	117.51-
m Italy Equity Fund	Lit	21,979.00+
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m Clarius International Ltd	$	127.66
m Keiper Intl Ltd	$	14.96
m Pulsar (Multi) Ltd	$	18.95
m Pulsar I - Class A	$	197.13
m Transition Ltd	DM	1028.42
006 ABS WORLDFOLIO MUTUAL FUNDS		
s A Daily Income	$	1.00
s DM Daily income	DM	1.00
s A Bond Income	$	42.10
s Non - $ Bonds	$	39.77
s Global Bonds	$	32.22
s Global Balanced	$	55.01
s Global Equities	$	30.04
s US Competitive Equities	$	34.15
s US Aggressive Equities	$	39.57
s European Equities	$	24.72
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m Albatros Performance USD	$	212.48.50
009 ALFRED BERG (Tel: +46 8 723 53 00)		
ALFRED BERG NORDEN		
d Cadiz	Sek	3581.08
ALFRED BERG SICAV		
d Global		292.03
d Germany	DM	378.09
d Scandinavia	$	226.10
d Europe	DM	290.61
d Bond America	$	212.77
d Far East	$	87.28
d Japan		8684.00
010 ALLIANCE CAPITAL MANAGEMENT		
Cp Bons of Bermuda (352-464284)		
m Alliance US Gr. Stripes A	$	19.80
m Alliance US Gr. Stripes B	$	19.37
m Alliance US Gr. Stripes I	$	20.13
m Alliance US Gr. Stripes Z	$	319.71
m ACM Global Equity (ACHS (CAYMAN))	$	099.96720
m ACM Alld Neutral Research	$	1036.07
m ACM Prosperity Fd	$	1274.58
m ACM Credit Arbitrage Fd	$	1031.24
m ACM Credit Opportunities Fd	$	1031.24
011 ALPHA FUND MANAGEMENT, LTD		
Pan-Lo-Vine Rd, Hamilton, HM11 Bermuda		
m Alpha Allies Fd Ltd (USD)	$	19.22
m Alpha Allies Fd-HYC (Ju31)	$	152.38
m Alpha Allies Fd-Tess(Ju31)	$	152.38
m Alpha Eastern Europe (Ju31)	$	83.25
m Alpha Emg Mkts Plus (Ju31)	$	199.79
m Alpha Europe Fd (Ju31)	Ecu	341.30
m Alpha Futures Fd (Ju31)	$	266.37
m Alpha Global Fd (Jun30)	$	1,197.44
m Alpha Hdg Fd G A (Ju31)	$	109.10
m Alpha Hdg Fd G B (Ju31)	$	76.49
m Alpha Hdg Fd G C (Ju31)	$	76.49
m Alpha Latin Amer (Ju31)	$	208.65
m Alpha Pacific Fd (Ju31)	$	98.14
m Alpha SAR	$	183.77
m Alpha Short Fd (Ju31)	$	44.96
m Alpha Tiger Fd (Ju31)	$	266.99
m Bickenhan Eur Hedge (Ju31)	Ecu	142.16
m Bickenhan Eur Hedge (Ju31)	$	158.97
m Competitiv Lat Am A (Ju31)	$	124.91
m Global Value (Ju31)	$	1,126.56
m Hedge Japan Fund	$	6.98
m Inter Performance Fd (Ju31)	$	102.73
m Lotusnest Value (Ju31)	$	105.25
m Pacif RIM Opp (Jul 31)	$	104.30
m Stand Pac Cos Growth (Ju31)	$	54.30
012 AMERICAN PHOENIX INVT PORTFOLIO		
d Europe Multinational Pfd	$	19.50
d Global Multinational Pfd	$	20.05
d U.S. Consol Cos Pfd	$	30.44
d U.S. Real Estate Sec Pfd	$	14.11
014 ARNHOLD & S. BLEICHROEDER		
Cp CITCO Tel: 011-5-999-12-2222		
m Jules Corporation	$	12854.71
m Jetvis International Fund	$	1027.26
m DEF Advisors N.V.	$	1843.06
m Eagle Select Fund	$	882.76
m Eagle Nortel Growth Fd Ltd	$	1,000.00
m Eagle Sector Fund Class A	$	14,609.41
m Eagle Sector Fund Class D	$	14,609.41
m The Global Dialogue Fd	$	140.17
015 ASIA PACIFIC PERFORMANCE, SICAV		
m AFP		4.63
016 ATLAS CAPITAL MANAGEMENT LTD		
m The Credit Spectrum Fd	$	1,074.13+
m Atlas Global Fd	$	127.56+
m Atlas Arbitrage Fd	$	1,122.12+
m Convertible Arbitrage Fd	$	1,172.03+
m The Discovery Fund	$	1,213.29+
m The Second Atlas Arbitrage	$	1,131.75+
245 AXIS CAPITAL		
d The Challenger Fund	$	1,039.98
018 BANK BEUSSELS LAMBERT (32-2) 481 2389		
m BBL Invest American Cos	$	44.44
m BBL Invest Belgium Lux	SF	2835.00
m BBL Invest Japan Cos	$	7.47
m BBL Invest Latin Amer Cos	$	121.61
m BBL Invest HK & Emerg Mkt	$	20.58
m BBL Invest Asian Cos	$	17.54
m BBL Invest UK Cos	$	44.84
m BBL (C) Inv Consumers Cos	$	74.50
m BBL (C) Invest Europe Cos	$	124.61
m BBL (C) Invest Health Cos	$	54.15
m BBL (C) Inv Base Mat Cos	$	71.75
m BBL (C) Inv Telecom & Med	$	142.33
m BBL (P) Invest Europe Cap	$	117.44
m BBL Fd Intl Cap	$	5426.00
m BBL Performance Bal	$	1,395.00
m BBL P C Sh-Medium Cap	$	1,386.03
m BBL Dynamic Convert World	CHF	659.83
019 BANQUE BELGE ASSET MGMT FUND		
Shore Distributor: Guernsey 441281 - 56314		
m Intl Equity Fund		13.06
m Intl Bond Fund		14.81
m Dollar Core Bd Fd		13.66
m Asia Pacific Region Fd		2.90
m India Fund		2.93
m Sterling Equity Fd		1.13
m Sterling Bd Fd		1.19
201 BANQUE EDOUARD CONSTANT		
m SEC Inv Fd Intelbond	SFr	97.47
m SEC Intershares	SFr	236.61
m SEC Sentesfund	SFr	368.45
214 BANQUE FRANCAISE DE L'ORIENT		
m BFO Short-Global Strategies	$	1191.97
021 BANQUE SCS ALLIANCE		
(4122) 639-6000, Geneva		
m Pictet-North Am Equities	$	184.75
m Pictet-Europe Equities	Ecu	293.15
m Pictet-Asia Pacific Eq	$	38.40
m Pictet-Emg Mkt Bond	$	128.60
m Pictet-Dollar Bonds	$	25.07
m Pictet-ECU Bonds	Ecu	13.31
m Pictet-Yen Bonds	Yen	1,243.00
m Pictet-Intl Conv Bonds	$	101.50
m Pictet-Short Term	$	24.47
m Pictet-ECU Reserve	Ecu	119.70
m Pictet-$ Reserve	$	199.12
m Pictet-FF Reserve	FF	119.82
195 BARCLAYS INTERNATIONAL FUNDS ASIA		
27/F Gloucester Tower, 15 Pedder St, Central, HK		
Tel - (852) 2523 0171		
m China (PRC)(US$)	$	4.5927
m Hong Kong (US$)	$	1.9970
m Indonesia	$	1.1932
m Japan (US$)	$	4.7822
m Korea (US$)	$	5.4267
m Malaysia (US$)	$	2.4355
m Philippines (US$)	$	0.1917
m Singapore (US$)	$	4.1417
m Taiwan (US$)	$	1.1416
m Asian Fund (US$)	$	15.0466
m South East Asia (US$)		
022 BARING INTL FD MANGRS (IRELAND) LTD (NON SIB RECOGNIZED) IPAX 62585		
Tel - (353) 1 296 4000		
m Baring Emerg World Fund	$	0.54
m Baring Global Resources	$	5.84
m High Yield Fund	$	10.962
m Japan Smaller Cos Fund	$	4.48
m Pacific Ex Japan Fd	$	14.54
m World Bond FF-R	FF	98.302
023 BARING INTL FD MNGRS (IRELAND) LTD (NON SIB RECOGNIZED) IPAX 62585		
m Australia	$	30.59+
m Asian Fund	$	13.92+
m Hong Kong & Singapore	$	41.86+
m North America	$	97.21+
m Pacific Fund	$	61.10+
m Sterling Bond	£	10.92+
m Japan Fund	$	7.87+
m Europe Fund	$	19.37+
m Hong Kong Trans	$	19.37+
m Dollar Walmart	$	9.78+
m Global Emerging Mkts	$	8.02+
m Euro Bond	$	10.07+
m US Dollar Currency Fund	$	10.19+
m Currency Fund Managed	$	99.11+
m Sense Repos Fund	$	1.00+
m Europe Select Feeder Fund	$	1.3662
024 BEACON GLOBAL ADVISORS LTD		
m Compass Series E Ltd	$	1081.27
m Compass Series R Ltd	$	1105.36
m Zacks Offshore Ltd	$	1036.62
m Zacks Offshore Ltd Cl A	$	972.42
m Zacks Offshore Ltd Cl C	$	924.14
m Zacks Offshore Ltd Cl D	$	924.14
262 BEC UNIVERSAL FUND		
m Europe ECU A (Div)	Ecu	200.5355
m Europe ECU B (Acc)	Ecu	200.5355
m Far East USD A (Div)	$	19.2000
m Far East USD B (Acc)	$	19.2000
m Japan JPY A (Div)	$	803.0000
m Japan JPY B (Acc)	$	803.0000
m Pacific FRF B (Cap)	FF	1,000.0000
m Nordic Eq Sek B (Cap)	Sek	207.0108
025 BELINVEST FUNDS		
m Belinvest Small Cap Fd	$	107.34+
m Belinvest Emerg Mkts Fd	$	116.86
m Belinvest-Multibond	$	1142.13
BEST INVESTMENTS INTL INC		
m Fund Generation Growth Sh	$	74.21
m Fund Generation Income Sh	$	71.44
m Investors Growth Sh	$	14.90
m Investors Income Sh	$	14.90
027 BOWEN CAPITAL MGT		
m Bowen Asia Fund	$	7.2410
m Zipangu Fund	$	7.5044
247 BRUNSWICK CAPITAL MNGT (CAY) LTD		
m Russian Discovery Fund	$	28.39
m Russian Emerging Eq Trust	$	4.21
m Russian Growth Fund	$	4.21
029 CALLANDER T:35-1-5353888 F:5353881		
m Callander-1 Asset		291.77
m Callander-2 Eurotrust		1428.54
m Callander-3 Equity		1428.54
m Callander-4 Sterling		1428.54
m Callander-5 Growth		1428.54
m Callander-6 US Equity		1428.54
m Callander-7 Europe Growth		1428.54
m Callander-8 US Hitecore & Life Science	$	40.54
022 CAPITAL INTERNATIONAL		
m Capital Intl Fund	$	202.33
m Capital Intl SA	$	45.94
m CI Emerging Mkts USD	$	21.46
034 CDS INTERNATIONAL		
m CEP Court Terme	FF	309716.52
205 CHILTON		
m Chilton Fund Services (Curacao) N.V.		
Tel : (599-9) 33		
m Chilton Intl (BVI) Ltd Cl A	$	24214.92
m Chilton Intl (BVI) Ltd Cl B	$	12,122.00
m Chilton Natural Res. (BVI)	$	131.52.00
CIBC OPPENHEIMER FUNDS		
m CIBC Oppen Arbitrage Inst		153.78
m CIBC Oppen Convert Inst Ltd		130.35
m CIBC Oppen Equity Hedge Ltd		140.12
m CIBC Oppen Inst Hedgen Fd II		48.75
m CIBC Oppen Inst Pinnacle Ltd		99.13
m CIBC Oppen Value Inst Ltd		122.21
036 CITIBANK (LUXEMBOURG) S.A.		
POB 1392 Luxembourg Tel: (352) 451 41-1		
m Hermes: Cl Equity		98.72
m Cl Hermes: Cl Bond		79.75
m Citiinvest Dollar Bond		121.35
m Citiinvest Euro Bond		153.29
m Citiinvest Euro Equity	Ecu	324.10
m Citiinvest Japan Equity	Yen	11,801.00
m Citiinvest Selection		1897.77
m Citiinvest Asia Pacific		210.15
m Citiinvest Cash DEM	DM	1.63.18
m Citiinvest Cash USD		209.16
m Citiinvest Cash CHF		157.81
m Citiinvest N.A. Equity		314.21
m Citiinvest Euro Equity	Ecu	210.19
m Citiinvest UK Equity	£	247.04
m Citiinvest French Equity		184.71
m Citiinvest German Equity	DM	257.10
m Citiinvest Japan Equity	Yen	15.35
m Citiinvest JAPEC		19.73
m Citiinvest Europe		209.14
m Citiinvest N.A. $ Bond	$	119.14
m Citiinvest Euro Bond	Ecu	203.00
m Citiinvest Yen Bond	Yen	10,114.00
m Citiinvest Asian Equity	Lit	21464.00
m Citiinvest US Gov Bond	$	111.54
m Citiinvest US Cap Gds	$	141.35
m Citiinvest US Pfd Cap	$	97.67
m Citiinvest US Tel Cap	Lit	111534.00
m Citiinvest Ital Bond	ITL	121,790.00
m Citiinvest Asian Income Fund		15.16
m CL Asian Income Fund		192.54
m MCD Currency Fund		1035.54
m Indo Focus Fund		8.55
m Money Manager I		11.97
m Money Manager II		11.34
m Citiselect Pfd Balanced Fd		1.29
m Citiselect Pfd Growth Fd		1.08
m Citiselect Pfd Enhanced Gth		1.03
m Citiselect Balanced Gth Fd		1.03
m Citiselect Income Fund		10.09
038 CITIBANK GLOBAL ASSET MGT (ASIA) Ltd		
Tel (8 852 2868 4344 Fax (8 852 2523 1379		
m CIF (Cayman) Asia Eq	$	3.28
m CIF (Cayman) H.K. Eq	$	7.21
249 CITISELECT PORTFOLIOS		
Tel : (-44-0) 171 527 0710		
m Citiselect GBP 100 Folio	£	10.474
m Citiselect GBP 300 Folio	£	10.109
m Citiselect GBP 500 Folio	£	10.019
m Citiselect USD 200 Folio	$	103.71
m Citiselect USD 300 Folio	$	99.44
m Citiselect USD 500 Folio	$	97.66
m Citiselect DEM 200 Folio	DM	102.09
m Citiselect DEM 300 Folio	DM	99.12
m Citiselect DEM 500 Folio	DM	98.59
m Citiselect CHF 200 Folio	SFr	102.08
m Citiselect CHF 300 Folio	SFr	100.00
m Citiselect CHF 500 Folio	SFr	98.60
m Citiselect JPY 200 Folio	Yen	10,114.45
m Citiselect JPY 300 Folio	Yen	10,114.45
m Citiselect JPY 500 Folio	Yen	997.17
039 CITITRUST		
m Citipertinence Pfd S.A.	$	24.033
217 COLBERT SECURITIES ASSET MNGT LTD		
m CLAM Positioning Fd	$	16.79
040 COMGEST (33-1) 44 70 75 18		
m C.F.E. Omni Fund		16.2431
m C.F.E. Latin Fund		5.8196
m Comgest Asia	$	240.30
m Comgest Europe	$	2726.47
m Pondi Sicav		388.06
028 CREDIT AGRICOLE INDOSUEZ LUX		
m Decision Fonds Ltd		121.147
m Euro-Special Eq Fd	Ecu	12.79
m Financial Opportunities Fd	$	0.00
m Financial Opportunities Fd	Ecu	0.00
m The Dragon Fund	$	46.78
m Indosuez Fd Ex Ser 1 Cl B		134.67
m Indosuez Fd Ex Ser 1 Cl C		134.64
m Indosuez Fd Ex Ser 1 Cl D		101.247
m Indosuez Fd Ex Ser 2 Cl C		140.53
m Indosuez Fd Ex Ser 2 Cl D		120.024
m Indosuez Curr. Cl A Units		98.84
m Indosuez High Yld Fd B		138.81
m Indosuez High Yld Fd B		5.72
m Indosuez Latin America		17.15
m Indosuez Multimedia Fd		17.15
m Indosuez Eur Sml Co Fd	DM	17.15
INDOCAM ASIA		
m Indocam Asian Pfd-Hg Kg A		41.78
m Indocam Asian Pfd-Hg Kg B		41.00
m Indocam Asian Pfd-Phil B		5.15
m Indocam Asian Pfd-Phil B		5.15
m Indocam Asian Growth Fund		8.29
m Indocam Asian Reg Growth Fd		59.00
m Indocam Pacific Gold Fund		7.50
m Indocam Asian Income Fund		3.33
m Indocam Korea Fund		2.58
m Shanghai Fund		7.68
m Himalayan Fund		18.91
m Akshay Fund		7.70
m Malaysia Fund		1.08
m The Stone Fund		19.4352
m Indocam Sing & Malay Tst		20.1750
m Indocam Pacific Tst	HK$	4.8752
m Indocam Japan Fd		8.8752
m Indocam Micropower Tst		19.9002
m Indocam Asian Pfd-Hdgm A		4.05
m Indocam Asian Pfd-Indon B		4.08
044 CREDIT COMMERCIAL DE FRANCE		
m Elysees Monetaire	FF	17739.39
m Sdm Actiocash USD B	$	36.97
043 CREDIT SUISSE ASSET MNGT FUNDS		
Tel (41 1) 333 8500 Fax (41 1) 331 3523		
m CS Portf (Lux) Balanced B	CHF	106.58
m CS Portf (Lux) Yield B	CHF	119.48
m CS Portf (Lux) Growth B	CHF	103.46
m CS Portf (Lux) Balanced B	DM	12.89
m CS Portf (Lux) Yield B	DM	13.01
m CS Portf (Lux) Growth B	DM	12.71
m CS Portf (Lux) Balanced B	$	14.97
m CS Portf (Lux) Yield B	$	15.31
m CS Portf (Lux) Growth B	$	14.94
m CS Portf (Lux) Balanced B	£	15.38
m CS Portf (Lux) Yield B	£	15.71
m CS Portf (Lux) Growth B	£	15.34
m CS Portf (Lux) Bond B	SFr	101.00
m CS Portf (Lux) Bond B	DM	100.00
m CS Portf (Lux) Bond B	$	100.00
m CS Portf (Lux) Bond B	£	100.00
m CS Portf (Lux) Bond B	CAD	100.00
m CS Portf (Lux) Bond B	AUD	100.00
m CS Portf (Lux) Bond B	HFl	100.00
m CS Portf (Lux) Bond B	Yen	100.00
m CS Portf (Lux) Bond B	FF	100.00
m CS Portf (Lux) Bond B	Ecu	100.00
m CS Portf (Lux) Bond B	SEK	100.00
m CS Portf (Lux) Bond B	DKK	100.00
m CS Portf (Lux) Bond B	NOK	100.00
m CS Portf (Lux) Bond B	CZK	100.00
m CS Portf (Lux) Bond B	HUF	100.00
m CS Portf (Lux) Bond B	PLZ	100.00
m CS Portf (Lux) Bond B	SKK	100.00
m CS Portf (Lux) Bond B	RUB	100.00
m CS Portf (Lux) Bond B	TRL	100.00
m CS Portf (Lux) Bond B	SFR 2000	110.04
m CS Portf (Lux) Bond B	DM	110.04
244 CREDITANSTALT AG		
m Convertibond Fd Lux-22.07	$	945.5256
m Convertibond Series Ltd-22.07		973.8276
046 CURSITOR FUND		
m Cursitor Eurit Option Eq		43.34
m Cursitor Gilt Ed Option		130.53
m Cursitor Gilt Gwth Sub-Fd		130.89
047 DARIER HENTSCH GROUP		
Tel 41-22 709 68 46		
m CH Treasury Fund		10318.47
m CH Master Mid-Mkts Fund		1539.20
m CH Mandarin Portfolio		1527.09
m CH Pleiades (Ex Sam)		76.48
m CH Tarpon Port		1136.41
m CH Eldon Financial Eq World		1135.54
m CH Sentenary Portfolio		1,181.56
m CH Cyber Fund		105.953
048 DELTEC PANAMERICA TRUST CO. LTD		
m Delfinc Bond Pd Ltd		11.05
m Latin American Fund		14.91
m Worldwide Income Fund		128.40
m High Yield Fund		1258.41
m Special Situations Fund		71.00
m Delfinc Income Fund		19.10
m The Fund		19.10
m Worldwide Income Ltd Pf		74.50
m Emerg Mkt Equities Ltd Pf		74.50
m Long Distance Equity Fd		18.94
m Consul Fund		117.31
049 DISCOUNT BANK GROUP		
m Scott Bd Mkt Hed Bond		1519.34
m Scott Bd Mkt Hed CHF		1005.51
m Scott Bd Mkt Hed DEM		1005.51
m Scott Bd Mkt Hed DEM	DM	1161.44
m Scott Bd Mkt Hed USD		1189.09
m Scott Bd M H Short-Term		1039.23
m Scott Bd M H Short-T DEM	DM	1039.23
m Scott Bd Mkt USD		1192.21
m Scott Bd Mkt Bond	Ecu	1192.21
m Scott Equity Jerusalem		391.41
m Scott Eq Israel Fd		391.41
m Scott Eq Israel Fd		196.16
m Scott Eq Japan		124.43
m Scott Eq Technology		124.43
m Scott Eq Micro Mkt		124.43
m Scott Middle East Israel		1274.36
050 DISCOVER INVESTMENTS		
m Discover Asia		10.32
m Discover Europe		11.48
051 DOSSIER DE GESTION COLLECTIVE		
m Bond Euro	Xau	101.48
m Bond USD		101.73
m Global		108.17
m Amerique		108.17
m Europe	SF	219.45
052 DRESDNER BANK INVESTMENT GROUP		
DIT DT. INVESTMENT-TRUST PFD		
PO Box 110-0JJ0-60079 Frankfurt/Germany		
m Congoma +	DM	107.45+
m Intl Rentenfond +	DM	74.17+
DRESDNER KLEINWORT BENSON INTL MANAGEMENT SERVICE LTD		
m Tagche Hoken Inc		
DSL Thornton Ltd, Abs Sel Pd		
d Concordander Fund	$	5.82
146 DRESDNER RCM GLOBAL INV (IRL) LTD		
10 Fenchurch Street London EC3M 3LB		
Tel - 44 171 246 3000		
m Pacif Inv Fd SA E		7.98
m Pacif Inv Fd SA Dm	DM	23.34
m Dresdner Cinader Fund		4.31
m Thor. Lin Dynamic Fd Ltd		22.03
m Thornton Eur Fd Ltd		16.89
m Thornton Pac Fd Ltd		24.87
m Managed Selection		15.42
m Jakarta		2.49
m Korea		3.46
m Asian Growth		5.12
m Asian Warrants Fund		2.13
m Asian Dragon Inv Tst		2.14
NEW TIGERS SEL. FUND		
m Hong Kong		43.97
m Japan		1.42
m Korea		1.47
m Philippines		16.81
m Thailand		0.04
m Malaysia		2.17
m Indonesia		0.41
m US Liquidity		18.31
m China		0.70
m Singapore		10.74
m Bangkok		1.93
m Taiwan		1.73
THORNTON TAIWAN FUND		
m Equity Income		11.46
m Equity Growth		6.26
053 DUBIN & SNIECA		
Tel : (609) 945 1400 Fax : (609) 945 1408		
m Dubin & Snieca Capital Corp.	$	23965.72
m Offshore Performance	$	2354.856
054 EBC FUND MANAGERS (Jersey) LTD		
Tel: 44 1534 601 616 Fax: 44 1534 601 650		
EBC TRADED CURRENCY FUND LTD		
m Capital	SF	35.4420
m Income	SF	32.5150
INTERNATIONAL INCOME FUND		
m Long Term	$	34.8908+
m Long Term - DMK	DM	118.6928+
055 ED & F MAN INVESTMENT PRODUCTS		
(416) 869 0314 Internet http://www.mpm.ca		
AHL Div (USD) Ltd	$	1015.42
AHL Div (USD) Ltd		1.00
MAN-AHL Diversified		1022.00
MAN-FP $80 Ltd		1.0803
MAN-FP $80 Ltd		0.3916
Man Leading - Ordinary		41.27
Man Ulu Ord (USD)		10.47
Man Plus Ord Bond		104.07
Man Regional Value Fd Ltd		104.31
Man Emerg Markets		20.11
Alpha Ord Financials Cap		19.27
Alpha Ord Financials Inc		40.35
AHL Alpha Plus		202.35
AHL Capital Mkts Fd		19.28
AHL Commodity Fund		20.23
AHL Currency Fund		17.79
AHL Ord Ltd		183.42
AHL Ord Ltd		18.38
AHL Div Ltd		30.49
AHL Div Ltd		11.29
AHL Ord Fixed Trade Ltd		14.39
AHL Ord Cap Mark Ltd		24.44
AHL Ord Commodities Ltd		14.79
MAN-Glenwood M.S.		142.73
MAN-FP $80 Ltd		13.20
MAN-FP $80 (Ed) Ltd		0.66
MAN-Dunbarton Resp		101.74
MASI MIC Plus		106.42
MASI MIC Series		109.15
056 EFG EUROPEAN FINANCIAL GROUP		
PROTON FUND		
m Proton USD Cash Fd	$	4511.71
m Proton Eqv Cash Fd	Ecu	2509.57
m Proton Swiss Franc Cash	SF	5361.09
m Proton GBP Cash Fund	£	1096.96
m Proton Int. Bond Fd-US$	$	1176.45
m Proton Int. Bond Fd-Eqv	Ecu	1139.29
m Proton Int Bond-Chf	Chf	1104.25.01
PROTON INTERNATIONAL B.V.I. INC		
m Proton Income Fund		105.16
m Proton Global Balanced		114.38
m Proton Growth Fund		119.74
m Proton Eq America Eq Fd		105.73
m Proton European Eq Fd	Ecu	134.04
m Proton Jap Eq Fd		71.27
m Proton US Small Cap Fd		1,231.70
m Proton Japan Fd		51.74
m Proton Emerg Eq Fd		111.30
m Global Opportunities Fund		119.39
m Proton Premier Stock		134.28
m Proton Fund Inc	FF	14107.23
198 ENVIRONMENTAL INV CO T:44 1534 485080		
m Velocity	$	3.49
m Vision	$	1.21
056 ERMITAGE LUX (352-46-04-84-1)		
http://www.Ermitage.lu		
m Ermitage Asian Markets		7.04
m Ermitage Doors 5 Fd Ltd		20.23
m Ermitage Sterling Bond Fd		9.39
m Ermitage Gold Fund		100.34
m Ermitage Growth Fd		9.02
m Ermitage Emer Mkts Fd		16.49
m Ermitage UK Value Fd		18.18
m Ermitage Opty Fund	DM	30.04
m Ermitage Asia Rising Inv		2.65
m Ermitage Asset Select Fd $		12.06
m Ermitage Asset Select Fd £		12.06
m Global Bond Fund	$	3.347
m Global Tech Fund		17.02
m Central & Eastern Europe Fd		4.322
m Gold Fund		0.806
m Asian Equity Fd		2.73
m European Equity Fd		273.23
059 EVEREST CAPITAL (Tel:+) 441-292-2280		
m Everest Capital Frontier Ltd	$	24.3612

NASDAQ

Thursday's 4 P.M.

The 1,000 most traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NYSE

Thursday's 4 P.M. Close
(Continued)

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

هكذا من الأصل

International Herald Tribune

SPORTS

FRIDAY, AUGUST 28, 1998

WORLD ROUNDUP

Research Planned On Muscle Drugs

BASEBALL In the wake of Mark McGwire's admission that he has been using a testosterone-producing pill, Major League Baseball and the players' union have asked doctors to research the players' use of muscle-enhancing supplements.

The announcement was made jointly by Commissioner Bud Selig and the union chief, Donald Fehr.

"Obviously, the health of our players is of vital concern for all of us and we want to take every precaution to assure they receive the most accurate medical and scientific information," Selig said.

Fehr made it clear that major league players using androstenedione were not violating any baseball regulation.

A joint commission of doctors from the commissioner's office and the union are to gather information and consult with other experts on the use of nutritional supplements by players. *(AP)*

Laver Out of Hospital

TENNIS Rod Laver, looking good and speaking clearly, was discharged from UCLA Medical Center on Thursday, a month after suffering a moderate stroke.

"I'm glad to be out of there," the tennis great said with a smile from a wheelchair. "There's not much to do when you're recuperating. I watched a lot of tennis and golf."

Laver, 60, is the only player to win the Grand Slam of tennis twice. He suffered the stroke on July 27 during the taping of a television interview. He was hospitalized in the intensive care unit until Aug. 12, then placed in the medical center's neuro-rehabilitation center.

"He's doing fantastic," said Dr. Eric Aldrich, a neurologist who has been working with Laver for the past two weeks. "His strength is coming back. His coordination and balance need some work. He's right on course." *(AP)*

Furor Over Poland's Bid

OLYMPICS Poland's bid for the 2006 Winter Olympics at the mountain resort of Zakopane was criticized Thursday by ecologists, some politicians and a government environment official.

Prime Minister Jerzy Buzek and President Aleksander Kwasniewski gave their formal support for the bid this week.

But the criticism showed that division exists over staging the Olympics in the Tatra mountains near the Slovakian border, 250 miles (400 kilometers) south of Warsaw.

Part of Zakopane belongs to the Tatra National Park, established in 1954 to protect the area's plants and wildlife. The park was designated a natural reserve in 1992.

Marian Cieslak, head of the government's environment protection department, said the construction needed to stage the Games at Zakopane would violate a law protecting national parks. The park contains Kasprowy Wierch, Poland's tallest mountain at 1,987 meters (6,557 feet). *(AP)*

McGwire Hits Back At Sosa With No. 54

By Ira Berkow
New York Times Service

ST. LOUIS — It seems that Mark McGwire is deliciously enjoying making mini-dramas out of his pursuit of Roger Maris's single-season home run record. Just as it appears that Sammy Sosa of the Chicago Cubs is nipping at his home run heels, McGwire belts yet another.

The scenario, followed several times now in the last few weeks, saw Sosa hit

NL ROUNDUP

a home run Wednesday afternoon in the Cubs' 9-2 rout of the Reds for his 52d of the season, just one behind McGwire.

"I was aware that Sammy had hit another home run," McGwire said after his game. "The television was on in the clubhouse. It's exciting. I get the feeling everybody in America is watching. They're having fun. I'm trying to."

McGwire, not looking terrific at the plate in his first three appearances against the Florida Marlins on Wednesday night in Busch Stadium, came to bat in the bottom of the eighth inning with a teammate on third, none out and the St. Louis Cardinals leading, 1-0. He had previously hit two towering flies to center field and once he was called out on strikes.

Now, facing Justin Speier, a right-hander for Florida, McGwire swung and fouled off the first pitch. On the second, he hit it with the sound of a cannon shot, to dead center field. It easily cleared the fence and landed 509 feet (155 meters) from home plate. It was his 54th homer of the season and placed him just eight short of breaking the Maris record. The Cardinals have 30 games left this season.

The crowd of 30,004 stood and cheered, as has become its custom for McGwire, and fireworks exploded in the night air. Of course, he took his curtain call or the fans, standing, would not have let the game continue.

McGwire became just the third National League player to reach 54 homers in a season and the first since 1949, when Ralph Kiner hit that many.

There have been only nine players (including McGwire in 1997, with 58) to have hit 54 home runs. Babe Ruth (four times) is the only player to have done it more than once.

McGwire's 53d home run came two games ago, against Pittsburgh.

His records are piling up. In the last couple of weeks he broke his own major league record for home runs (111) by a right-handed batter in consecutive seasons and he set a major league record with 162 homers in three successive seasons.

Peter Newcomb/Agence France-Presse

Mark McGwire connecting, against the Marlins, for his 54th home run.

Chasing the Record

Home run tally for two contenders to break the season record of 61 homers set in 1961 by Roger Maris (right).

MARK McGWIRE	SAMMY SOSA
54 Two-run homer in 8th inning vs. the Marlins on Wednesday	**52** Solo homer in 3d inning vs. the Reds on Wednesday

Maris through 132 games: 51

IHT

Before Wednesday night he was on pace to hit 66 homers this season, and he has raised that projection yet again.

Not only did the game grow increasingly exciting in regard to the home-run chase, but it took on a strange tone as the Cardinals scored three more runs after McGwire's two-run shot, giving them a 6-0 lead. Then the Marlins came back with six runs in the top of the ninth — three of them against John Frescatore, who was booed until he was removed from the game without getting anyone out.

The Marlins scored once in the top of the 10th.

McGwire led off the bottom of the inning with a single, but the Marlins shut the Cardinals down and Florida won by 7-6. The Cards were shocked.

"No," said McGwire after the game, "I can't enjoy the home run."

In other games, The Associated Press reported:

Mets 4, Giants 1 Hideo Nomo pitched a three-hitter and struck out 10 as visiting New York retained its lead in the National League wild-card chase.

Braves 6, Astros 2 In Houston, John Smoltz won his eighth straight decision and Javy Lopez hit a two-run homer, snapping the Astros' five-game winning streak. Smoltz (13-2) allowed five hits in seven strong innings.

Padres 2, Phillies 0 Joey Hamilton pitched seven strong innings and Steve Finley homered for visiting San Diego.

Brewers 6, Rockies 5 In Denver, Bill Pulsipher pitched six shutout innings for the winners, Jeff Cirillo hit a home run and Phil Garner earned his 500th victory as a major league manager. Pulsipher (2-1) gave up two singles, struck out two and walked one.

Pirates 4, Diamondbacks 3 Kevin Polcovich drove in three runs as the visiting Pirates won their ninth straight game. Jeff Tabaka (2-1) got the victory in relief of starter Chris Peters.

Dodgers 4, Expos 3 Eric Young's home run with two out in the bottom of the ninth inning lifted Los Angeles Dodgers over Montreal.

Montreal had tied it with two runs in the top of the inning before dropping its seventh straight game.

Jeter's Single Helps Yankees To Brake Skid After 4 Losses

The Associated Press

With the New York Yankees on their worst losing streak in nearly a year, Derek Jeter stopped the skid with a run-scoring single in the ninth inning to lead New York over the Anaheim Angels, 7-6, in the second game of a day-night doubleheader.

In the opener on Wednesday at Yankee Stadium, Reggie Williams hit a go-ahead, two-run homer as Anaheim won,

AL ROUNDUP

6-4, for the Yankees' fourth successive loss. The Angels' Jeff Juden (1-2) was victorious for the first time in his last 11 starts, allowing four runs and three hits in six innings.

In the nightcap, the Yankees wasted a 5-1 lead built largely by Homer Bush's first major league homer, a three-run shot in the fifth off Steve Sparks.

But with the score tied at 6-6 in the bottom of the ninth, Mike Fetters (2-7) walked Jorge Posada, Scott Brosius sacrificed against Shigetoshi Hasegawa and Bush advanced the runner with a groundout. Jeter then singled to right.

Red Sox 7, Athletics 4 In Boston, Darren Lewis delivered the tie-breaking hit for the second consecutive game with a two-run single in the eighth inning.

Lewis, who homered leading off the seventh inning of Boston's 3-2 victory on Tuesday, grounded a bases-loaded single through a drawn-in infield to give Boston a 6-4 lead.

Indians 5, Mariners 3 In Cleveland, Manny Ramirez hit his 32d homer and second in two nights and rookie Richie Sexson was 4 for 4 with a homer.

Royals 7, Blue Jays 2 Tim Belcher pitched a three-hitter and Dean Palmer hit a three-run homer for visiting Kansas City.

Belcher (12-10) retired the final 17 in winning for the first time in his last four starts.

Twins 7, Devil Rays 3 Bob Tewksbury won in his first start since he came off the disabled list for visiting Minnesota. It was the Devil Rays' fifth straight loss.

Tewksbury (6-9), who had been sidelined since mid-July by a sore right shoulder, allowed two runs and four hits in five innings.

Rangers 8, Tigers 6 Juan Gonzalez drove in four runs to raise his major league-leading total to 133, pacing host Texas over Detroit.

Gonzalez went 3 for 4 with two doubles and a single as the Rangers stayed within three games of first-place Anaheim in the American League West.

White Sox 12, Orioles 5 In Chicago, Frank Thomas hit his 25th homer and tripled, driving in four runs as the White Sox beat sliding Baltimore.

Thomas homered to cap a six-run second when the White Sox did all their scoring with two outs, and he hit a two-run triple in the sixth. Despite a subpar season in which he has batted around .250 for most of the year, Thomas now has 86 runs batted in.

The Orioles have lost five of six and their chances of winning a wild-card spot grow more remote each day. Baltimore trails Boston by 10 games for the slot.

At U.S. Tennis Open, Enticing Men's Matchups

By Christopher Clarey
New York Times Service

NEW YORK — The women came first at the U.S. Open draw: It was both a symbolic gesture to honor the 25th anniversary of equal prize money at this tournament and a clear reflection of the current appeal and strength of the women's game.

But when the names of the last seeded players had been picked at the National Tennis Center on Wednesday, the men's draw had, as usual, produced the more interesting early matchups.

The second-seeded Marcelo Rios, the struggling Chilean who has played catch with the No. 1 ranking this season, must face Daniel Vacek in the first round. This is the same Vacek who beat Rios, 6-3, 6-2, on a Cincinnati hardcourt this month.

The third-seeded Patrick Rafter, the defending men's champion here, must face Hicham Arazi, the left-handed Moroccan trick-shot artist who is quite capable of the sublime, the ridiculous and the upset.

The sixth-seeded Greg Rusedski, the hard-serving neo-Briton who lost to Rafter in the final last year, must play Wayne Ferreira, a former member of the Top 10 who has a 4-3 career edge over him.

The No. 12-seeded player, Jonas Bjorkman, the likable Swede, must play Cedric Pioline, the versatile Frenchman who has reached the semifinals at every Grand Slam event except the Australian Open.

The No. 15-seeded Alberto Berasategui must face the aging but still dangerous Thomas Muster in a match that would draw a bigger crowd on Paris clay than Queens DecoTurf.

In short, it may not take long for several seeded players to stop germinating at the Open, which begins Monday. Pete Sampras should not be among the early victims.

The top-seeded Sampras, who will attempt to equal Roy Emerson's record of 12 Grand Slam singles titles, drew Marc-Kevin Goellner of Germany in the first round.

The only other seeded American man is No. 8, Andre Agassi, who has had a fine season and is in the same quarter of the draw as Sampras.

"At least this year, that hasn't worked out too well for Sampras," said Tom Gullikson, the American Davis Cup captain, referring to Agassi's 2-1 edge over Sampras in 1998.

Despite the continuing success of Sampras and Agassi, American men's tennis is clearly on the decline. Only nine American men were accepted directly into the main draw this year. That is the lowest total in the event's history by a wide margin: The previous low was 13 in 1997, and the high was 74 in 1981.

American women appear to be heading in a different direction.

The No. 2 seed, Lindsay Davenport, has been the world's best player in the last month and has a comfortable draw. So does the sixth-seeded Monica Seles, winner last week of the Canadian Open. The fifth-seeded Venus Williams was a finalist here last year, losing to Martina Hingis.

If Williams has recovered from her chronic knee problems, she also should have little trouble with her first-round opponent: Elena Wagner of Germany.

Hingis will play a qualifier but could have a greater test in the second round when she plays Anke Huber of the 1997 French Open champion, Iva Majoli.

In past U.S. Opens, the third-seeded Jana Novotna might have been an underdog against Jennifer Capriati in the first round, but Capriati is still chasing the shadow of her consistency and on-court success as a teen-ager.

The five-time U.S. Open champion Steffi Graf is also searching for her previous form. Graf skipped the Open last year after knee surgery and though she is ranked only 38th, she is seeded eighth. She has not lost a singles match at Flushing Meadows since 1994.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

EAST DIVISION	W	L	Pct.	GB
New York	95	36	.725	—
Boston	78	52	.600	16½
Baltimore	69	63	.523	26½
Toronto	67	66	.504	29
Tampa Bay	49	81	.377	45½
CENTRAL DIVISION				
Cleveland	73	58	.557	—
Kansas City	61	72	.459	13
Minnesota	59	72	.450	14
Chicago	58	73	.443	15
Detroit	51	81	.386	22½
WEST DIVISION				
Anaheim	74	60	.552	—
Texas	70	62	.530	3
Seattle	60	71	.458	12½
Oakland	60	73	.451	13½

NATIONAL LEAGUE

EAST DIVISION	W	L	Pct.	GB
Atlanta	88	45	.662	—
New York	73	60	.549	15
Philadelphia	64	69	.481	24
Montreal	51	83	.381	37½
Florida	47	86	.353	41
CENTRAL DIVISION				
Houston	83	51	.619	—
Chicago	72	61	.541	10½
Pittsburgh	64	68	.485	18
Milwaukee	63	70	.474	19½
St. Louis	62	70	.470	20
Cincinnati	61	72	.459	21½
WEST DIVISION				
San Diego	86	47	.647	—
San Francisco	71	62	.534	15
Los Angeles	66	67	.496	20
Colorado	62	72	.463	24½
Arizona	50	84	.373	36½

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Wednesday Linescores

AMERICAN LEAGUE

Anaheim 000 033 000—6 9 0
New York 011 000 200—4 5 1
Juden, DeLucia (7), Percival (9) and Walbeck; Bradley, Lloyd (6), Stanton (8) and Girardi, Posada (8). W—Juden, 1-2. L—Bradley, 1-1. Sv—Percival (37). HRs—Anaheim, R. Williams (1). New York, T.Martinez (23).

Second Game

Anaheim 001 000 221—6 13 1
New York 000 050 101—7 8 0
Sparks, Fetters (7), Hasegawa (9) and Nevin, Walbeck (9); D.Wells, M. Rivera (8) and Posada. W—M. Rivera, 3-0. L—Fetters, 2-7. HRs—Anaheim, Edmonds 2 (20). New York, Bush (1).

Kansas City 004 000 012—7 15 1
Toronto 001 100 000—2 3 0
Belcher and Mi.Sweeney; Carpenter, Risley (9), Sinclair (9), Almanzar (9) and Fletcher. W—Belcher, 12-10. L—Carpenter, 9-7. HR—Kansas City, Palmer (30).

Seattle 011 000 010—3 8 0
Cleveland 010 020 11x—5 9 0
Fassero and Marzano; Burba, S. Reed (8), M. Jackson (8) and S.Alomar. W—Burba, 11-9. L—Fassero, 10-10. Sv—M. Jackson (33). HRs—Seattle, E. Martinez (25). Cleveland, M. Ramirez (32), Sexson (2).

Oakland 100 003 000—4 6 1
Boston 030 100 03x—7 10 2
Stein, Holzemer (6), Worrell (6), G. Heredia (8) and Macfarlane; Saberhagen, Eckersley (6), Corsi (7), Wasdin (8), Gordon (9) and Hatteberg, Varitek (9). W—Wasdin, 6-4. L—Worrell, 2-7. Sv—Gordon (38).

Minnesota 030 200 002—7 12 0
Tampa Bay 000 110 010—3 10 2
Tewksbury, Serafini (6), Guardado (8), Carrasco (8), Aguilera (8) and Steinbach; Saunders, A. Lopez (8), Aldred (9), Mecir (9) and DiFelice. W—Tewksbury, 6-9. L—Saunders, 4-12. Sv—Aguilera (33).

Baltimore 100 000 220—5 6 2
Chicago 060 102 03x—12 15 1
Guzman, P. Smith (6), D. Johns (7), A. Benitez (8), Orosco (8) and Webster; Baldwin, B. Ward (8), Bradford (8), Simas (9) and Kreuter. W—Baldwin, 8-5. L—Guzman, 8-13. HRs—Baltimore, R. Palmeiro (39), C.Ripken (12), Webster (10). Chicago, F. Thomas (25).

Detroit 100 040 100—6 8 1
Texas 420 001 01x—8 12 2
Florie, F. Castillo (2), Sager (6), M. Anderson (8) and Baka; Loaiza, Crabtree (6), Gunderson (7), X. Hernandez (7), Wetteland (9) and I. Rodriguez. W—Loaiza, 2-3. L—Florie, 6-8. Sv—Wetteland (36). HRs—Detroit, Catalanotto (4). Texas, T. Goodwin (2).

NATIONAL LEAGUE

Chicago 031 001 004—9 11 1
Cincinnati 010 010 000—2 4 2
Wood, Beck (9) and Houston; Tomko, Remlinger (6), Graves (8) and Taubensee. W—Wood, 12-6. L—Tomko, 11-10. HRs—Chicago, Sosa (52). Cincinnati, A. Boone (1).

New York 200 020 000—4 9 0
San Francisco 000 010 000—1 3 2
Nomo and Piazza; Hershiser, Johnstone (7), Mesa (9) and B.Johnson. W—Nomo, 6-11. L—Hershiser, 9-9. HR—New York, L. Harris (3).

San Diego 100 100 000—2 8 0
Philadelphia 000 000 000—0 5 0
J.Hamilton, Ra.Myers (8), Hoffman (9) and Leyritz, C. Hernandez (8); Portugal, Y. Perez (8), Spradlin (8) and Estalella. W—J. Hamilton, 11-11. L—Portugal, 8-4. Sv—Hoffman (43). HR—San Diego, S. Finley (11).

Atlanta 001 301 001—6 10 1
Houston 000 100 001—2 8 3
Smoltz, Seanez (8), Ligtenberg (9) and J. Lopez; Bergman, D. Henry (6), Elarton (8) and Eusebio. W—Smoltz, 13-2. L—Bergman, 11-7. HR—Atlanta, J. Lopez (28).

Florida 000 000 006 1—7 10 3
St. Louis 000 000 150 0—6 14 2
10 Innings
Ojala, Speier (7), Poll (8), Alfonseca (9) and Knorr; D.Oliver, Frascatore (8), Painter (9), Brantley (9), Acevedo (10) and Marrero. W—Alfonseca, 3-6. L—Acevedo, 6-3. HRs—Florida, Kotsay (8), D.Lee (15), Floyd (18),Orie(5). St.Louis,McGwire(54), Mabry (9).

Milwaukee 010 100 220—6 14 2
Colorado 000 000 050—5 6 1
Pulsipher, C. Fox (7), M. Myers (8), Wickman (8) and Matheny; Jm.Wright, DeJean (7), Dipoto (9) and Manwaring, J. Reed (9). W—Pulsipher, 2-1. L—Jm.Wright, 7-12. HR—Milwaukee, Cirillo (10).

Montreal 000 100 002—3 6 2
Los Angeles 100 001 011—4 9 2
Pavano, M. Maddux (7), Kline (9) and Widger; Park, Shaw (9) and C.Johnson. W—Shaw, 3-6. L—Kline, 2-5. HRs—Montreal, Fullmer (11). Los Angeles, Eric Young (5), Karros (19).

Pittsburgh 000 020 200—4 13 0
Arizona 001 101 000—3 9 1
Peters, Tabaka (6), Christiansen (8), Loiselle (9) and Osik; Daal, W. Banks (7), Olson (9) and Miller. W—Tabaka, 2-1. L—Daal, 6-9. Sv—Loiselle (17).

Japanese Leagues

CENTRAL LEAGUE

	W	L	T	Pct.	GB
Yokohama	59	40	1	.596	—
Chunichi	61	44	1	.581	1.0
Yomiuri	55	53	0	.509	8.5
Yakult	50	51	0	.495	10.0
Hiroshima	47	59	0	.443	15.5
Hanshin	40	65	0	.381	23.0

PACIFIC LEAGUE

	W	L	T	Pct.	GB
Nippon Ham	59	44	2	.573	—
Kintetsu	57	49	0	.538	3.5
Seibu	51	46	2	.526	5.0
Daiei	54	53	1	.505	7.0
Orix	45	56	2	.446	13.0
Lotte	42	60	1	.412	16.5

THURSDAY RESULTS

CENTRAL LEAGUE
Yakult 6, Hiroshima 3
Chunichi 4, Yomiuri 0
Hanshin 7, Yokohama 4

PACIFIC LEAGUE
Nippon Ham 6, Lotte 2
Kintetsu 1, Seibu 8
Daiei 4, Orix 3

SOCCER

Champions Cup

SECOND PRELIMINARY ROUND, SECOND LEG
LATE WEDNESDAY RESULTS

Skonto Riga ,Lat., 1, Inter Milan ,Ita., 3
Inter Milan win 7-1 on aggregate.
Panathinaikos,Gre.,4,SteauaBucharest Rom., 3
Panathinaikos win 8-5 on aggregate.
Metz ,Fra., 1 HJK Helsinki ,Fin., 1
HJK Helsinki win 2-1 on aggregate.
Brondby ,Den., 0 FC Kosice ,Svk., 1
Brondby win 2-1 on aggregate.
FC Brugge ,4,Rosenborg Trondheim Nor., 2
Rosenborg go through on away goals.
Croatia Zagreb ,Cro., 3 Celtic ,Sco., 0
Croatia Zagreb win 3-1 on aggregate.
Galatasaray, Tur., 3, Grasshopper Zurich Swi. 2
Galatasaray win 5-3 on aggregate.
Anorthosis ,Cyp., 2, Olympiakos ,Gre., 4
Olympiakos win 6-3 on aggregate.
Obilic ,Yug., 1 Bayern Munich ,Ger., 1
Bayern Munich win 5-1 on aggregate.
Athletic Bilbao, Spa., 1, Dynamo Tbilisi, Geo., 0
Bilbao go through on away goals.
PSV Eindhoven ,Ned., 4 NK Maribor ,Slo., 1
PSV Eindhoven win 5-3 on aggregate.
LKS Lodz ,Pol., 0 Manchester Utd ,Eng., 0
Manchester United win 2-0 on aggregate.
Ujpest Budapest, Hun., 2, Sturm Graz Aut., 3
Sturm Graz win 7-2 on aggregate.
Sparta Prague ,Cze., 0 Dynamo Kiev ,Ukr., 1
Dynamo Kiev win 3-1 on penalties.

DRAW FOR GROUP STAGE

Group A: Croatia Zagreb , Olympiakos Piraeus (Gre.), Porto (Port.), Ajax Amsterdam.
Group B: Galatasaray (Tur.), Rosenborg Trondheim (Nor.), Athletic Bilbao (Spa.), Juventus (Ita.).
Group C: Spartak Moscow (Rus.), Sturm Graz (Austria), Inter Milan (Ita.) Real Madrid (Spa.).
Group D: Brondby (Den.), Manchester Utd. (Eng.), Bayern Munich (Ger.), Barcelona (Spa.).
Group E: Dynamo Kiev (Ukr.), Panathinaikos(Gre.),Arsenal (Eng.),RC Lens (Fra.).
Group F: HJK Helsinki (Fin.), Benfica (Port.), PSV Eindhoven (Neth.), Kaiserslautern (Ger.)
Winners of each group and two best runners-up qualify for quarter-finals.

Cup Winners' Cup

QUALIFYING ROUND, SECOND LEG

Constructorul, Mol., 0, Rudar Velenje, Slv., 0
Rudar Velenje win 2-0 on aggregate.
Tsement 1, Lausanne 2
Lausanne win 7-2 on aggregate.
Maccabi Haifa, Isr., 2 Glentoran, NIrl 1
Maccabi Haifa win 3-1 on aggregate
Karabakh Agdam 0, FC Copenhagen 4
Copenhagen win 10-0 on aggregate.
Batumi, Geo., 1, Partizan Belgrade Yug., 0
Partizan Belgrade win 2-1 on aggregate.
Vitebsk, Blr., 1, Levski Sofia, Bul.,1
Levski Sofia win 9-2 on aggregate.
CSKA Kiev, Ukr., 2, Cork City, Irl., 0
CSKA Kiev win 3-2 on aggregate.

Copa Libertadores

FINAL
Vasco da Gama 2, Barcelona 1

MAJOR LEAGUE SOCCER
D.C. United 2, Kansas City 1

TRANSITIONS

BASEBALL

AMERICAN LEAGUE

CLEVELAND— Recalled INF Enrique Wilson from Buffalo, IL. Bought contract of LHP Jim Poole from Buffalo. Designated INF Torey Lovullo for assignment. Optioned RHP Steve Karsay to Buffalo.

MINNESOTA—Recalled LHP Travis Baptist from Salt Lake, PCL.

N. Y. YANKEES—Bought contract of RHP Jay Tessmer from Columbus, IL. Optioned RHP Ryan Bradley to Columbus.

TAMPA BAY—Activated RHP Albie Lopez from 15-day disabled list. Put LHP Ramon Tatis on 15-day disabled list.

TEXAS—Claimed LHP Greg Cadaret off waivers from Anaheim Angels.

NATIONAL LEAGUE

NL—Suspended Atlanta Braves 1B Andres Galarraga 3 games and fined him $1,000 for charging mound against Los Angeles Dodgers RHP Darren Dreifort in an Aug. 22 game.

MILWAUKEE—Agreed to terms with RHP Nick Neugebauer and assigned him to Helena, Pioneer League.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

MILWAUKEE—Fired Chris Ford, coach, and Dick Versace, assistant coach.

FOOTBALL

NATIONAL FOOTBALL LEAGUE

BUFFALO—Claimed PK Cole Ford off waivers from Oakland Raiders. Released WR Undre Williams.

CINCINNATI—Waived K Jay Kirchoff. Claimed DL Harry Deligianis off waivers from Jacksonville Jaguars.

INDIANAPOLIS—Waived WR Kaipo McGuire. Signed WR Tutu Atwell.

JACKSONVILLE—Put DT Don Davey on injured reserve. Waived QB Steve Matthews, FB Kevin McLeod, RB Malcolm Thomas, WR Todd Floyd, WR Reggie Swinton, WR Damon Dunn, C Matt Cravens, OT Pierre Brilliant, DT James Clyburn, DT Harry Deligianis, DT Winfield Garnett, LB Tyrone Hines, LB Erik Storz, LB Derek Strey, CB Curtis Anderson, CB Ron Harrison, CB Heron O'Neal and S Tre Thomas.

KANSAS CITY—Waived QB Pat Barnes, QB Billy Joe Tolliver, FB Ernest Blackwell, RB Jesse Haynes, C Eugene Chung, CB Anthony Prior, T Tavarr Closs, DE Herb Coleman, CB Matt Dorsett, P Shayne Edge, C Hicham El-Mashtoub, TE Chad Flick, TE Damion Johnson, G Brad Kubik, WR Shawn McWashington, LB Brandon Moore and WR Chris Ortiz, LB Terry Rice-Locket, LB Mark Smith, S Rod Thomas and WR Toussaint Waterman. Put DT Jay Heimsoth and WR Kevin Huntley on injured reserve. Claimed QB Todd Collins off waivers from the Buffalo Bills.

MIAMI—Claimed WR Nate Jacquet, WR Phil Savoy and TE Hendrick Lusk off waivers.

SAN DIEGO—Released LB Toran James.

SAN FRANCISCO—Waived K John Becksvoort and DT Carlos Thornton. Claimed K Wade Richey off waivers from Seattle Seahawks, and DT Corey Sears off waivers from St. Louis Rams.

HOCKEY

NATIONAL HOCKEY LEAGUE

CHICAGO—Signed RW Eddie Olczyk.

DALLAS—Signed RW Brent Severyn to 1-year contract.

NEW JERSEY—Acquired D Ken Sutton from San Jose Sharks for future considerations.

PHOENIX—Announced retirement of RW Mike Gartner.

TORONTO—Named Alpo Suhonen assistant coach.

LIVE - Cycling World Track Championships
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EUROSPORT
Eurosport, Europe's No.1 Sports TV Channel, available on cable and satellite

SPORTS

Why Quit at the Top? Elway Asks

By T. J. Simers
Los Angeles Times Service

GREELEY, Colorado — He's not the old man, not as long as Warren Moon and Steve DeBerg remain employed, but as the National Football League's most distinguished elder, John Elway had the opportunity to walk away a world champion.

"There was some merit to doing just that," Elway, 38, said. "No one had done it. I thought of that many times, just getting on the horse and riding off into the sunset. That sounded pretty good.

"But you know, why retire at the top? The thing I came to — you got a lot of life yet, another 30 or 40 years to live, and leaving a year early, something you've always enjoyed doing, why would anyone do that? Who knows, maybe we'll go back and win another one, and then I can get on the horse and still ride off."

Doug Collier/Agence France-Presse

John Elway clapping after he completed an 80-yard touchdown pass for the Broncos during a preseason game against the Packers.

Elway, beginning his 16th and final season in the league, labored over his decision to return, in part because before the Super Bowl victory over Green Bay in January he had already privately made the decision to retire.

So, when he ran onto the field in Qualcomm Stadium, was he thinking, "This is my last game of football"?

"No, I wasn't even thinking past that Sunday," Elway said. "I could have died Monday and been fine after winning. But my life was that Sunday — my football career was riding on that Sunday because that's how I was going to be judged for 15 years. Had we lost another one, they were just going to pin another tail on the donkey and say, that's No. 4."

Elway, a loser in three Super Bowls before slipping past Green Bay, has Hall of Fame credentials, although some critics were quick to point out he had never won the big game.

"I just said, please Lord, just give us a chance to be in the football game, give us a chance to win," Elway said in recalling his thoughts before the Super Bowl. "In the other Super Bowls, we never even made it into the fourth quarter before being blown out."

After the victory, Elway began reconsidering his future.

"John would be sitting at the dinner table and his father would be at one end telling him he should retire and I'd be at the other telling him to come back," said Elway's wife, Janet.

His four children were also urging him to return, but Elway said he had to listen to his aging body, slow to recover after an exhibition season, regular season and postseason march to the Super Bowl.

In the end, those close to Elway say, there was one factor bigger than most and preying on his biggest weakness: a desire to make everyone happy. And so, when it became obvious to Elway that the only chance for the Broncos' owner, Pat Bowlen, to remain in control of the team was to win a referendum this November for a new stadium, Elway came back in the hopes of winning votes.

He agreed to restructure his contract for this season so the Broncos could have more salary-cap room to sign others. His base salary was reduced from $3.8 million to $300,000, the remainder deferred, making him the league's lowest-paid starting quarterback.

"The monkey's off our back," said Elway, who has been overwhelmed by endorsement opportunities and all-out Denver adoration. "The great thing about this off-season, it was all positive. In the past it hasn't always been positive. But no one had anything to complain about this year."

But how much does he have left in the tank?

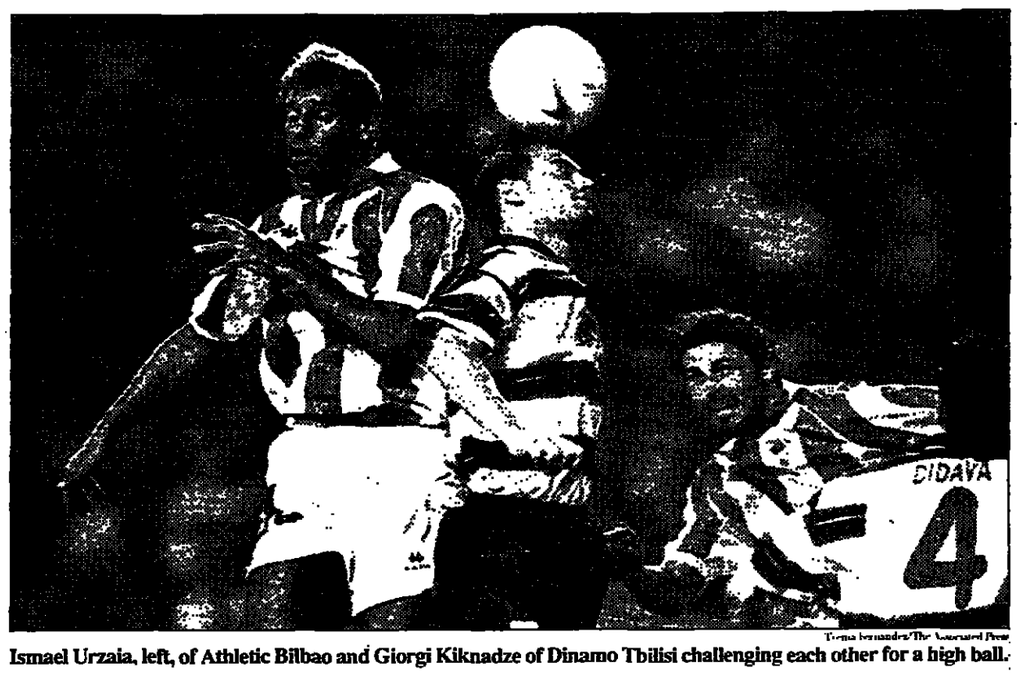
"I'm not nearly as fast as I used to be and can't move like I did — that's the thing to me that's really dwindled," he said. "But what I've lost there, I've gained by the way I'm throwing the ball. I'm more accurate, plus the offense I'm in, I don't have to do those things I did when I was younger. I don't have to run around. I can give the ball to somebody else and let them make plays."

Elway, a winner of 138 regular-season games, more than any other quarterback in league history, has 16 more chances to pad his record.

"When you do something your whole life, it's tough to walk away," said Elway, who needs 1,331 passing yards to join Dan Marino as the only quarterbacks in history to hit the 50,000-yard mark.

"I actually had planned on retiring, but that's why I took the time I took because I didn't want to make a hasty decision, retire and then change my mind six weeks later.

"In that time I realized I wasn't prepared. Johnny Bench told me he knew it was time to retire and had no regrets, but I wasn't sure I could say that. I wasn't prepared, but by saying it now — this is my last year — when the end finally does come, I'll be ready."



Teresa Fernandez/The Associated Press

Ismael Urzaia, left, of Athletic Bilbao and Giorgi Kiknadze of Dinamo Tbilisi challenging each other for a high ball.

PSV Moves On to Champions League

The Associated Press

LONDON — PSV Eindhoven survived in overtime against the Slovenian team Maribor to reach the regular portion of the Champions League.

In the second round, second leg of qualifying on Wednesday night, other big clubs like Manchester United, Bayern Munich and Inter Milan also got through to next month's opening of the Champions League — Europe's top club competition — although the Scottish champion, Celtic, was eliminated.

PSV, which lost the first leg, 2-1, at Maribor two weeks ago, was leading, 2-1, after the regulation 90 minutes. But that left the two clubs tied, 3-3, and also tied on the away-goal rule.

Dennis Rommedahl scored what proved to be the winning goal in the 100th minute, and a teammate, Gilles de Bilde, scored two minutes later to seal the victory as the Dutch advanced on a 5-3 aggregate score.

Manchester United, up 2-0 after the first leg, advanced after a 0-0 draw at Lodz, Poland, and will join a fellow English team, Arsenal, when the Champions League begins for real.

In Riga, Latvia, Youri Djorkaeff, Ivan Zamorano and Fabio Galante scored as Internazionale of Milan beat

EUROPEAN SOCCER

Skonto Riga, 3-1, to easily qualify on a 7-1 aggregate score.

With the Brazilian striker Ronaldo still working his way into shape for Inter Milan — he skipped the trip — France's Djorkaeff and Chile's Zamorano teamed in attack with Roberto Baggio. The experimental trio dominated the action in front of 6,000 spectators under a steady rain.

The German power Bayern Munich advanced, 5-1, after a 1-1 draw in Belgrade with the Yugoslav team Obilic. Bayern won the first leg, 4-0.

But it was bad news for Celtic. In Zagreb, Robert Prosinecki scored two goals in Croatia's 3-0 victory over Celtic and advanced on a 3-1 aggregate. Croatia scored early as the midfielder Silvio Maric hit home in the 23d minute. Prosinecki converted a penalty kick in the 45th minute and scored again in the 68th.

In the other high-drama match of the night, Dynamo Kiev slipped through over Sparta Prague.

Dynamo Kiev won the match, 1-0, putting the clubs level on aggregate (1-1) and away goals. After a scoreless 30-minute overtime, Dynamo won, 3-1, on penalty kicks as Sergei Rebrov, Kaka Kaladze and Yuri Dmitrulin scored.

In other games, HJK Helsinki also moved through, drawing, 1-1, with the French team Metz to advance, 2-1. Metz was the runner-up last season in France but had not managed to score a goal in its first three games.

In Spain, Athletic Bilbao won, 1-0, over Georgia's Dinamo Tbilisi and got through on the away-goal rule after a 2-2 aggregate. The Spaniards lost, 2-1, in Tbilisi two weeks ago.

Tiger Woods Accentuates the Positive

By Clifton Brown
New York Times Service

AKRON, Ohio — Golf's four majors are over this year, and Tiger Woods did not win any of them.

If Woods chose to dwell on that, he might have trouble dealing with the rest of his year. Instead, he is focusing on the positive. As he prepared for the NEC World Series of Golf, which began Thursday at Firestone Country Club, he still had a chance to put together a splendid year, even by his lofty standards.

He remains the world's top-ranked player, leads the PGA Tour in scoring average (69.17), leads in top 10 finishes (11) and is third on the money list, with more than $1.6 million in earnings.

Winning the money title and the Vardon trophy for lowest scoring average would put a different perspective on Woods's year. And while he is disappointed that he has not won a major since last year's Masters, Woods insists his season has been more encouraging than frustrating.

"Over all, I've accomplished a lot of goals," said Woods, who has one victory on the PGA Tour this year (the Bell South Classic) and one in Thailand (the Johnnie Walker Classic). "I haven't had as many in the win column as I would like. But I'm very excited about the improvements I've made in my game. For this guy who is supposedly in a slump, I don't see it."

Winning this week, however, would be an impressive way for Woods to reclaim golf's spotlight. The World Series features an elite field of 44, limited to players who have won at least one tournament during the past 12 months. Eight of the world's top 10 players are competing — Woods, Ernie Els, Mark O'Meara, Davis Love 3d, David Duval, Nick Price, Vijay Singh and Fred Couples.

Singh is the hottest player in golf right now, with two consecutive victories: the PGA Championship and the Sprint International last weekend. By winning $360,000 on Sunday, he became the leading money-winner on tour ($1,694,253).

But while Singh has enjoyed the recent attention that comes with success, the press frenzy surrounding Woods has subsided since last year, when he won four tournaments, including the Masters by a record-setting 12 strokes.

Woods's pretournament news conference Wednesday was an example, with only about 30 members of the press on hand and some empty chairs in every row. Last year, many of Woods's news conferences drew at least three times that many reporters.

As for golf, Woods has improved his short game, patience and course management, but inconsistent putting has kept him from winning more often. Last year, Woods ranked 60th on tour in putting. This year, he ranks 128th.

Woods admitted that he has not putted as well as a professional as he did as an amateur. "It's more difficult getting your speed, because you're at different venues and on different grasses week in and week out," he said.

Given a choice between winning the money title or finishing with the lowest scoring average, Woods said he would chose lowest scoring average. "It shows consistency over the entire year," said Woods, who has made 15 consecutive cuts, the longest current streak on tour.

So while Woods would like to have more victories this year, he is feeling no special urgency. He is 22. "I'm maturing as a player, and that's going to happen for a number of years," he said. "Hopefully, until the day I quit playing, I'll keep learning."

Newcastle United Hires Gullit as Coach

The Associated Press

NEWCASTLE, England — Kenny Dalglish resigned Thursday as manager of Newcastle United and was replaced by Ruud Gullit, a former Chelsea coach.

Dalglish, who had been in charge at St. James Park for 19 months, was forced out after just two games of the new Premier League season.

The change was announced by the club to the London Stock Exchange after a day of unconfirmed press speculation.

The statement said Dalglish offered his resignation on Aug. 18, three days after Newcastle's scoreless draw against newly promoted Charlton in the club's season-opener. He told the club he would stay on until a replacement was found.

Gullit, who had also been talked about for the manager's job at Tottenham, agreed Thursday to Newcastle's offer.

The former Dutch star was fired as Chelsea manager six months ago.

"In welcoming Ruud to Newcastle, we believe we have the ideal person to succeed Kenny and continue the club's development," said the club chairman, Freddy Shepherd.

Gullit is expected to take over in time for Newcastle's home game against Liverpool on Sunday.

Newcastle said it had been reluctant to release Dalglish from his contract. Despite attempts to maintain absolute secrecy over his departure, the news leaked out, the club said.

Newcastle directors chose to make a change after the fans' bitter response to the goalless draw against Charlton, which was reduced to 10 men for most of the game. Fans jeered the players and Dalglish off the field.

Newcastle earned a 1-1 draw against Chelsea last week, but that was not enough to save his job.

Dalglish, a former Liverpool star who managed the Reds and Blackburn, was never popular in Newcastle. He took over here after the shocking resignation of the immensely popular Kevin Keegan in January 1997.

Under Dalglish, Newcastle finished second in the Premier League. But last season the club was in danger of relegation as it slipped to 13th. Newcastle did reach the FA Cup final, but was outclassed, 2-0, by Arsenal.

Gullit, a former star forward for AC Milan and Sampdoria, joined Chelsea as a player in 1995. He took over as player-manager in 1996, after Glenn Hoddle left to become England coach.

Gullit signed international stars like Italy's Gianluca Vialli and Gianfranco Zola and guided Chelsea to the FA Cup title in 1997.

But he was fired last February after demanding a salary of £2 million ($3.26 million) a year. He was replaced by Vialli, who took the Blues to the European Cup Winners Cup and English League Cup titles.

DENNIS THE MENACE

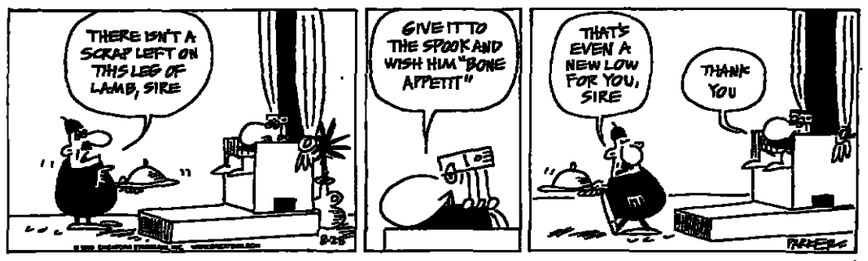
"WHY DO I ALWAYS FEEL LIKE HE HAS ME OUTNUMBERED?"

PEANUTS

CALVIN AND HOBBES

GARFIELD

WIZARD of ID



JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

KUFLE

DEUXE

MIOGES

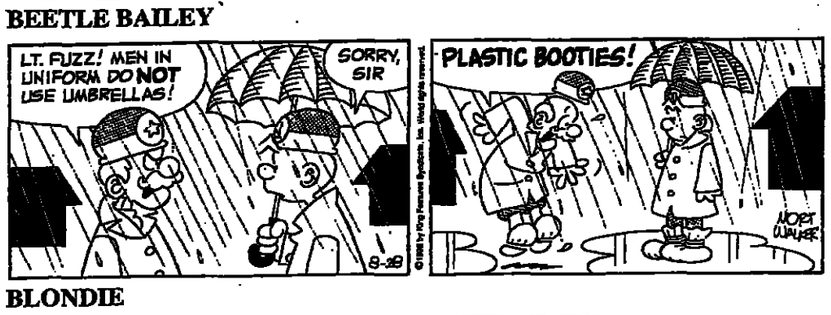
NOYCOT

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: ____ WITH THE ____ (Answers tomorrow)

Yesterday's Jumbles: Answer: USURP LUCID FERVID KNIGHT What he wanted to do at the bowling tournament — "STRIKE" IT RICH

BEETLE BAILEY



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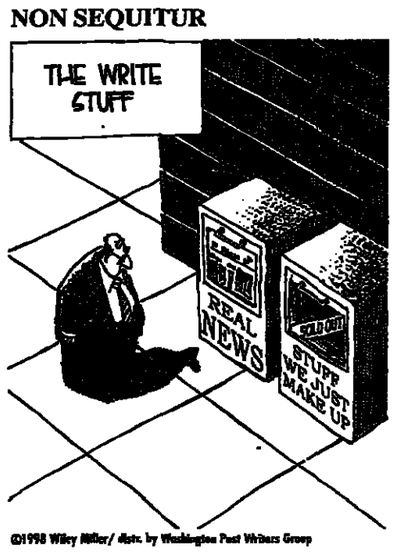

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هكذا من الأصل

ART BUCHWALD

'I Cannot Tell a Lie'

NEW YORK — President Clinton was not the first resident to admit that he lied. History tells us that George Washington perjured himself when he was 6 years old.

The story goes that the Washington family lived outside Fredericksburg, Virginia. When Washington was walking around with his father, they spotted a cherry tree on the ground.

Buchwald

His father, in horror, asked George who had chopped it down. George said, "Father, I cannot tell a lie. I chopped down the tree."

His father was furious and said, "Who asked you to tell the truth? Now, who chopped down the cherry tree?"

"I told you, I did," said George, "with my little hatchet. I know it was wrong, but it wasn't illegal."

Washington's father decided to take the matter to a cherry-tree DNA expert.

The expert took shavings off the ax and then matched them with chips on George's shoes. There was no doubt that George's footprints were all over the tree.

With this evidence, Washington's father said to George, "Someday you're going to be the father of your country, and therefore you are going to have to lie to the electorate. If you admit to chopping down my tree, the nation will think you've gone bonkers."

George replied, "If I ever hope to be first and foremost in the hearts of my countrymen, I must tell the truth and be willing to face the music."

His father disagreed. "It's nobody's business but yours. Don't let this tree ruin the great record that you will establish in leading our 13 Colonies through their formative years."

"I guess you're right, Father. I will say I was trout fishing when I heard the tree fall to the ground."

"Bravo," his father said. "Now let's move on."

A Chronicle of the Pain of Poverty

The Associated Press

NAIROBI — Photographs taken by children from the sprawling Mathare slum of Nairobi to illustrate their lives and hopes are on display at the Nairobi National Museum alongside the work of leading photojournalists from around the world.

The photos are part of a youth association project that is running alongside the World Press Photo exhibit.

"They have basic, inexpensive 35mm point-and-shoot cameras and are photographing aspects of their lives that they deem important and/or problematic, including family, community, environment health and personal issues," said Lana Wong, the exhibit's coordinator.

She said 32 youngsters from 12 to 17 were taking part in the exhibit, which was designed to encourage people to improve living conditions in slum areas.

Michiel Munneke, project manager of World Press Photo, said that a competition in 1997 attracted 36,000 entries from around the world and the winning 200 photos form the exhibit, which runs through Sept. 14. The Web site for the project is:

http://www.mediazw.com/childseye/

Restoring a Treasure of Islamic Art in Morocco

By Michael Kimmelman
New York Times Service

MARRAKESH, Morocco — Not long ago, the imam at the Casbah mosque agreed to show an interested outsider the mosque's ancient minbar.

The idea was to compare it to the 12th-century minbar from the Kutubiyya mosque here, which conservators from the Metropolitan Museum of Art have lately restored and installed, to justified local fanfare, in the remains of the city's immense Badi Palace. The Kutubiyya's minbar is worth traveling halfway around the world to see. And it is not likely ever to go anywhere else.

Minbars are portable pulpits, decorated wooden staircases on wheels from which the imam addresses the congregation during Friday worship. It is often the most elaborate work of art in a mosque. Six years ago, the Met asked to borrow the Kutubiyya minbar for "Al-Andalus: The Art of Islamic Spain," a big loan exhibition. But it was too fragile to travel; in fact, it badly needed repair.

So the Met did something unusual in the museum world: It proposed to restore the minbar, never mind any exhibition. Mahrukh Tarapor, the museum's associate director, arranged the deal directly with King Hassan II. Patti Birch, an honorary trustee of the Met who has a home in Marrakesh, offered to pay for the restoration. The Moroccans supplied craftsmen to help.

The whole deal took a while to get in motion, but two years ago, Met conservators and installation and lighting experts got started. They worked with a Moroccan architect, El Mostafa Hbibi, and several Moroccan woodworkers to shore up the minbar's rickety structure, secure loose panels, clean the surface and design a place for it in the Badi Palace Museum. The result is one of the most amazing sights in Marrakesh, a charismatic object, sublime and handsomely installed.

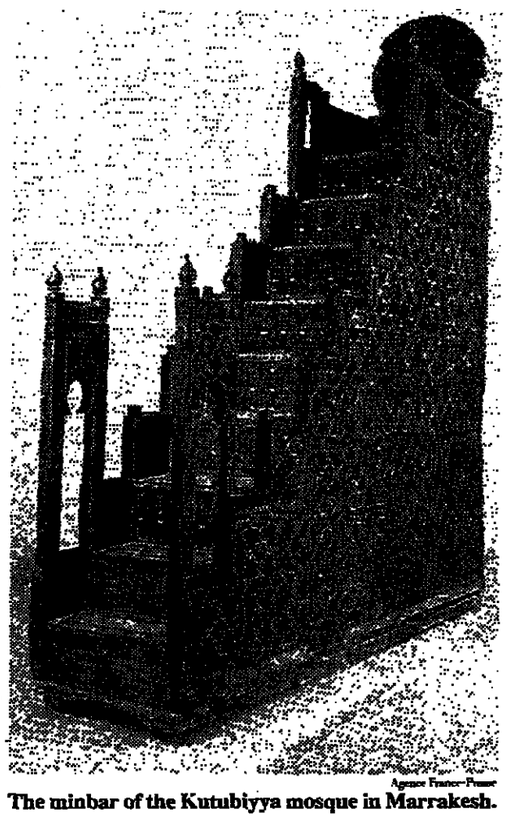
The smaller Casbah minbar is exquisite, too — though a wreck — and is still in use. So however they compare aesthetically, the two minbars have now become fundamentally different kinds of objects.

The Kutubiyya minbar, after all, is a modern museum object. Its display in the Badi Palace represents essentially U.S. exhibition standards and a Western approach to conservation. There are no interpolated carvings, for instance, as there are on the other minbar; the very idea of adding new touches to it seems outrageous, like trying to pass off a fake.

On the other hand, the Casbah minbar remains part of a culture seamlessly integrated with the past. It belongs to a living faith. Nearly as old as the Kutubiyya's, it could also be retired to a museum, though one can imagine its being treated quite differently.

Looking at it, it is possible to be reminded just how much modern conservation, like almost every other issue in art, is a matter of relative values and parochial aesthetics.

Western conservators, loyal to a secular museum culture, claim a certain objective rightness based on scientific devotion to a work's historical integrity. And this is a perfectly justifiable approach if you think in terms of museum objects.


Agence France-Presse

The minbar of the Kutubiyya mosque in Marrakesh.

But which context is ultimately more faithful to the spirit of something like the minbar: the Casbah Mosque or the Badi Palace Museum?

Every generation has claimed to understand the intent of past artists. Restorers in previous centuries who saw the darkened Sistine Chapel ceiling were convinced that Michelangelo was a painter of shadows, so they added their own dark touches to his work, reinforcing a view of him that affected future restorers, and so the cycle of restoration proceeded. When an artist named Mazzuoli stuck darkening glue to the Sistine ceiling in the early 18th century, he was just reflecting the beliefs of his day, as restorers today, having cleaned away the grime, reflect the modern faith in science, technology and historic revivalism. A century from now, the ceiling will probably look as much like a work of late-20th-century restoration as the darkened ceiling looked like an anachronism.

The point isn't that the Kutubiyya minbar should be returned to the Kutubiyya mosque and put back into service. It was removed to storage years ago because people here decided that it was too precious to be used.

Commissioned by the Almoravid Sultan Ali Ibn Yusuf in 1137, it was made in Cordoba, Spain. More than 12 feet (3.6 meters) high, it originally consisted of more than a million differently carved pieces of bone and colored woods, some pieces the size of sesame seeds, in the shapes of stars, 'Y's, hexagons, arabesques, scrolling vines, palmettes, pine cones, blossoms, checkerboards and Arabic letters. (There are inlaid inscriptions cut from African blackwood and outlined in bone.) Pieces have fallen off during the last eight centuries, but the Met's conservators have painstakingly restored what is left.

A modern craftsman, as a test, recently took a week to reproduce, coarsely, one of the minbar's panels, and from this, experts guess that the whole minbar required 72,000 man-hours of labor.

It was shipped in pieces down the Guadalquivir River, across the Strait of Gibraltar and on camelback over the Middle Atlas mountains to Marrakesh, where it was reassembled.

Someone has estimated that during the eight centuries it was rolled every Friday in and out of its closet in the mosque, the minbar traveled a total of 250 miles. Imagine rolling one of your family's heirloom dinner plates between New York and Washington, and you can estimate, more or less, the wear and tear.

The Met acted remarkably in the situation, committing resources to an object that doesn't directly benefit its audience. Skeptics may have asked why the museum was so generous. But one can't help wondering: If something equivalent from the West — say, a Giotto altarpiece — had been discovered abroad and needed repair, wouldn't U.S. museums have competed for the honor to restore it?

The Kutubiyya minbar has found a home in the most dramatic secular setting here: The vast, crumbling Badi is essentially a museum only for it, at least so far because no other objects are in it. The 16th-century palace was destroyed by the ruler Mouley Ismail in the 17th century, its gold, marble, onyx and ivory stripped and used to build a palace in Meknes, some 200 miles northeast of here. With a courtyard the size of several football fields, what is left of the Badi might plausibly be compared to the Baths of Caracalla in Rome.

The minbar occupies one of the few palace rooms that still has a roof.

There's nothing in Marrakesh quite like this mix of old with new: an up-to-date display in a ruin. At dusk, as visitors start to leave, storks, which nest on the Badi's walls during the day, descend into the palace courtyard to waddle around the reflecting pools and orange trees. The storks make a kind of clacking sound; they lean their heads way back and smack their beaks together. And as the noise of the city dies down a little, they sound like an orchestra of castanets, drowning out the coo of the doves that also live in the palace.

It's almost prehistoric. And suddenly a 12th-century minbar doesn't seem so old.

PEOPLE

Ron Hoenth/The Associated Press

A MONSTER — Al Tonini measuring a 21-pound mushroom that grew to 76 inches in circumference in a neighbor's yard in Manitowoc, Wisconsin.

THE spiritual leader of Britain's Roman Catholics appealed Thursday for an end to the media hype that has greeted the first anniversary of the death of **Diana, Princess of Wales. Cardinal Basil Hume** said that Diana was no saint "but she did a great deal of good and was much loved by the nation." The first anniversary of her death in a Paris car crash last Aug. 31 has prompted blanket coverage in the British media. Cardinal Hume said on BBC Radio: "I would like to think now that we can get on with life and leave the hype behind. I would think that after this anniversary we can settle down and quietly say our prayers for Diana." ... Paris's mayor, **Jean Tiberi**, announced Thursday that the city, in agreement with the Spencer family and the British government, was creating a park in Diana's honor. The small park will be in the Marais district, next to a new day-care center, and will be devoted to teaching children about nature and gardening.

□

Engineers have restored the rotating mechanism in the hut where **George Bernard Shaw** wrote plays, at the bottom of the garden of his former home in the English county of Hertfordshire. The playwright, who died in 1950 after living in the house at Ayot St. Lawrence for 44 years, had mounted the hut on a system of gears that permitted it to be rotated and follow the sun throughout the day.

□

Rehearsals are under way for the Manhattan Theater Club production of **Terrence McNally**'s "Corpus Christi." The show about a gay Jesus-like figure attracted protests last spring from a Roman Catholic civil rights group and bomb threats and was removed from the club's schedule. It was reinstated after outraged artists accused the theater of being intimidated into self-censorship. With **Joe Mantello** directing, "Corpus Christi" begins previews on Sept. 22.

□

Two donors have come to the rescue of the Houston Symphony Orchestra, with a gift of $7.3 million that will wipe out its budget deficit, the orchestra announced. The Wortham Foundation, which has been the symphony's most significant benefactor, and the Houston Endowment, a Texas foundation, each gave $3.65 million. The symphony's executive director, **David Wax**, said: "It's a big hunk of money."

□

Billy Joel says that recurring throat problems have forced him to postpone the fall leg of his world tour. Earlier this year, the singer canceled several concerts, including an appearance with Elton John, because of a respiratory infection.

Computer Analysis of 'The Canterbury Tales'

The Associated Press

NEW YORK — Literary scholars are borrowing computer technology from the field of evolutionary biology to iron out discrepancies in 84 surviving manuscripts of Chaucer's "Canterbury Tales."

With help from research scientists, the team of Middle English scholars has adjusted a computer program to compare variations in the text and eventually develop a version of the 14th-century epic that they hope will convey a sharper sense of what Chaucer intended.

"This may lead editors to produce a radically different text of 'The Canterbury Tales,'" Peter Robinson of De Montfort and Oxford universities in England, who is directing the five-university team in the United States and England said in the journal Nature. It is the first time that every existing version of a classic has been analyzed using technology that was designed to trace the origins of plants and animals, according to the team.

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2. Dial the phone number you're calling.
3. Dial your card number.

AT&T Access Numbers

Austria○	022-903-011	Greece●	00-800-1311	Saudi Arabia○	1-800-10
Belgium●	0-800-100-10	Ireland□	1-800-550-000	Spain	900-99-00-11
Czech Republic▲	00-42-000-101	Israel	1-800-94-94-949	Sweden	020-795-611
Egypt●(Cairo)†	510-0200	Italy●	172-1011	Switzerland●	0800-89-0011
France	0-800-99-0011	Netherlands●	0800-022-9111	United Kingdom▲+	0800-89-0011
Germany	0130-0010	Russia●▲(Moscow)†	755-5042	United Kingdom▲+	0500-89-0011

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